

**RESOURCES FOR HUMAN  
DEVELOPMENT, INC. AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2013 AND 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAR 05 2014



**SHECHTMAN MARKS DEVOR PC**  
Certified Public Accountants

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
YEARS ENDED JUNE 30, 2013 AND 2012

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## **Independent Auditors' Report**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2013 and 2012, and the related consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets, changes in net assets, functional expenditures, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Resources for Human Development, Inc. and Subsidiaries as of June 30, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2013, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Shectman Mathis Devor PC". The signature is written in a cursive, flowing style.

Philadelphia, Pennsylvania  
December 9, 2013

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2013 AND 2012**

**ASSETS**

	<u>2013</u>	<u>2012</u>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 244,884	\$ 5,848,436
Limited use cash and cash equivalents, representative payee cash funds	1,348,675	1,351,340
Limited use investments	493,213	211,683
Accounts receivable, net of allowance for doubtful accounts of \$2,656,048 for 2013 and \$1,596,968 for 2012	41,161,971	34,212,655
Advances and loans, current portion and net of allowance for uncollectible advances and loans of \$111,814 for 2013 and \$116,164 for 2012	46,031	50,444
Inventory	603,431	634,291
Prepaid expenses	<u>3,219,031</u>	<u>2,627,774</u>
<b>Total current assets</b>	47,117,236	44,936,623
Property and equipment, net	23,686,180	23,375,730
Equity investments in companies	1,156,006	1,457,115
Advances and loans, net of current portion and allowance for uncollectible advances and loans of \$186,439 for 2013 and 2012	214,441	214,686
Other assets	<u>500,582</u>	<u>523,936</u>
<b>Total assets</b>	<u><u>\$ 72,674,445</u></u>	<u><u>\$ 70,508,090</u></u>



## LIABILITIES AND NET ASSETS

	2013	2012
<b>Current liabilities:</b>		
Lines of credit and short-term borrowings	\$ 1,134,857	\$ 493,476
Current portion of long-term debt	949,315	892,633
Accounts payable and accrued expenses	29,411,877	28,228,742
Deferred revenue	2,873,723	2,094,740
Contract advances, current	53,000	61,932
Deferred credits, current	3,000	3,000
Due to custodial clients	1,348,675	1,351,340
<b>Total current liabilities</b>	<b>35,774,447</b>	<b>33,125,863</b>
<b>Long-term liabilities:</b>		
Long-term debt, net of current portion	14,790,886	15,332,859
Contract advances, net of current portion	226,628	226,628
Deferred credits, net of current portion	39,000	42,000
Retirement plans, net of current portion	451,724	626,042
Interest rate swap	393,010	577,654
<b>Total liabilities</b>	<b>51,675,695</b>	<b>49,931,046</b>
<b>Net assets:</b>		
Unrestricted	17,450,689	17,832,476
Temporarily restricted	2,692,779	2,181,543
<b>Total net assets before noncontrolling interests</b>	<b>20,143,468</b>	<b>20,014,019</b>
Noncontrolling interests	855,282	563,025
<b>Total net assets</b>	<b>20,998,750</b>	<b>20,577,044</b>
<b>Total liabilities and net assets</b>	<b>\$ 72,674,445</b>	<b>\$ 70,508,090</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES**  
**AND OTHER CHANGES IN UNRESTRICTED NET ASSETS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Support, revenue and other:</b>		
Support and revenue:		
Federal	\$ 5,328,714	\$ 4,636,117
Medicaid	104,592,296	97,525,572
Managed care	36,973,040	30,277,917
City of Philadelphia, PA	24,928,060	29,133,619
Montgomery County, PA	7,962,317	8,852,218
Other state and local	32,517,584	32,988,033
Patient/client fees	11,580,192	12,465,371
Other fees and sales	8,196,512	8,372,092
Grants and donations	1,892,568	1,396,500
Interest and miscellaneous	<u>1,363,026</u>	<u>1,408,307</u>
<b>Total unrestricted support and revenue</b>	<u>235,334,309</u>	<u>227,055,746</u>
Net assets released from temporary restrictions	<u>543,925</u>	<u>1,330,611</u>
<b>Total unrestricted support, revenue and other</b>	<u>235,878,234</u>	<u>228,386,357</u>
<b>Expenditures:</b>		
Program	200,183,465	185,526,072
Management and general	28,979,548	27,847,183
Fundraising	404,408	343,939
Other operating	<u>6,479,796</u>	<u>8,191,277</u>
<b>Total expenditures</b>	<u>236,047,217</u>	<u>221,908,471</u>
<b>(Loss) income from operations</b>	<u>(168,983)</u>	<u>6,477,886</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES**  
**AND OTHER CHANGES IN UNRESTRICTED NET ASSETS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Other changes in unrestricted net assets:</b>		
Equity in net (loss) income of investments	(256,109)	696
Change in fair value of interest rate swap	<u>184,644</u>	<u>(21,803)</u>
<b>Total other changes in unrestricted net assets</b>	<u>(71,465)</u>	<u>(21,107)</u>
<b>Changes in unrestricted net assets before noncontrolling interests and capital distributions</b>	(240,448)	6,456,779
Noncontrolling interests in net loss (income) of investments	<u>25,328</u>	<u>(33,053)</u>
<b>Changes in unrestricted net assets before capital distributions</b>	(215,120)	6,423,726
Capital distributions	<u>(166,667)</u>	<u>(166,667)</u>
<b>Changes in unrestricted net assets</b>	<u><u>\$ (381,787)</u></u>	<u><u>\$ 6,257,059</u></u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Unrestricted net assets:</b>		
Total unrestricted support and revenue	\$ 235,334,309	\$ 227,055,746
Net assets released from temporary restrictions	543,925	1,330,611
Total expenditures	(236,047,217)	(221,908,471)
Equity in net (loss) income of investments	(256,109)	696
Change in fair value of interest rate swap	184,644	(21,803)
Noncontrolling interests in net loss (income) of investments	25,328	(33,053)
Capital distributions	(166,667)	(166,667)
<b>Changes in unrestricted net assets</b>	<u>(381,787)</u>	<u>6,257,059</u>
<b>Temporarily restricted net assets:</b>		
Contributions	1,055,161	1,383,311
Net assets released from temporary restrictions	(543,925)	(1,330,611)
<b>Changes in temporarily restricted net assets</b>	<u>511,236</u>	<u>52,700</u>
<b>Changes in total net assets before noncontrolling interests</b>	<u>129,449</u>	<u>6,309,759</u>
<b>Noncontrolling interests:</b>		
Net (loss) income of investments	(25,328)	33,053
Contributions	334,891	65,988
Distributions	(17,306)	(115,831)
<b>Changes in noncontrolling interests</b>	<u>292,257</u>	<u>(16,790)</u>
<b>Change in total net assets</b>	421,706	6,292,969
<b>Total net assets, beginning of year</b>	<u>20,577,044</u>	<u>14,284,075</u>
<b>Total net assets, end of year</b>	<u><u>\$ 20,998,750</u></u>	<u><u>\$ 20,577,044</u></u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2013**

	SALARIES	BENEFITS	FEES AND SERVICES	OCCUPANCY	COMMUNICA-TIONS	PROGRAM SUPPLIES	TRAVEL AND MISC	SMALL EQUIPMENT & MAINTENANCE	PROPERTY AND EQUIPMENT	TOTAL
Program										
LOWER MERION COUNSELING SERVICES										
MH Outpatient	\$ 354,253	\$ 76,310	\$ 474,737	\$ 150,010	\$ 23,099	\$ 22,813	\$ 4,959	\$ 16,053	\$ -	\$ 1,122,234
Student Assistance	5,514	1,487	-	8,866	-	-	-	-	-	15,867
Recovery	241,849	48,071	1,183	22,957	26,244	7,656	1,590	15,862	-	365,412
Case Management	39,621	9,739	-	-	88	-	-	-	-	49,446
CONSULTANTS IN CONTEXT -Montgomery County	306,596	55,587	36,090	22,832	3,993	7,216	12,847	682	-	445,843
NEW FOUNDATIONS/WELLSPRINGS-Montgomery County	999,591	263,052	12,287	407,358	27,031	91,234	8,414	107,116	-	1,916,083
COMPEER-Montgomery County	3,157	244	-	-	-	-	-	-	-	3,401
COMPEER-Delaware County	29,877	9,605	-	8,499	4,180	3,290	1,835	797	-	58,083
NEW OPTIONS-Montgomery County	553,298	154,151	23,015	138,021	21,549	71,999	6,191	48,051	-	1,016,275
POSITIVE RESOLUTIONS-Montgomery County	855,548	233,411	25,393	221,698	30,269	116,450	14,194	66,619	-	1,563,582
COORDINATED HOMELESS OUTREACH CENTER	646,293	180,747	3,779	49,850	15,443	140,477	2,715	56,920	10,400	1,106,624
CRITICAL TIME INTERVENTION	197,072	55,451	1,378	18,834	11,936	6,528	7,607	8,369	5,001	312,176
RISE ABOVE -Montgomery County	450,303	87,816	203,257	69,789	19,430	24,984	7,363	2,455	-	865,397
METHADONE CENTER-Montgomery County	716,545	165,185	92,159	104,293	13,483	61,430	15,587	27,570	-	1,196,252
WOMANSPACE-ARDMORE-Montgomery County	220,462	59,919	630	48,312	5,168	30,878	4,983	18,082	-	388,254
FAMILY HOUSE-NORRISTOWN-Montgomery County	426,133	107,714	39,291	35,802	11,714	61,196	5,080	64,995	-	751,925
NOVA II - Montgomery County	30,222	9,434	1,419	10,841	313	4,929	39	2,461	1,198	60,856
WOMANSPACE-PHILADELPHIA	328,371	79,577	19,556	43,053	9,600	56,088	9,659	25,294	-	571,198
FAMILY HOUSE-PHILADELPHIA	379,520	97,771	17,065	161,064	7,570	53,545	3,902	49,038	19,175	788,650
MORRIS HOUSE	352,812	80,539	16,254	76,365	9,102	44,781	9,710	25,652	2,501	627,716
BEHAVIORAL HEALTH SERVICES -CITY OF PHILA.	8,911,050	1,332,426	183,419	1,974,462	222,759	1,176,017	87,376	905,248	86,064	15,878,821
NOVA III	647,114	163,881	22,118	117,501	5,301	72,155	1,683	19,095	-	1,048,848
ATR	7,836	1,400	-	145	-	-	-	-	-	9,381
TEAM ARRIVE	603,116	133,532	17,106	24,175	32,853	18,300	21,464	36,149	14,215	900,910
PENNSYLVANIA IDD	28,236,773	7,517,629	1,241,471	3,990,735	411,184	1,930,916	450,830	2,526,115	191,383	46,497,036
EARLY INTERVENTION	270,555	61,097	367,877	29,120	11,370	8,454	4,388	5,872	-	758,733
RSS - Montgomery County	68,410	13,552	2,549	23,586	459	6,250	2,224	18,109	-	135,139
ADESHA VILLAGE -Department of Autism	88,864	21,500	103	5,027	1,608	4,475	1,985	10,840	-	134,402
SPECIALIZED TREATMENT SERVICES PA	186,073	39,104	8,001	54,371	6,849	16,339	5,239	1,710	-	317,686
RHD BRIDGES - Allegheny County	527,012	130,333	69,587	76,634	15,131	65,348	15,728	43,346	20,833	963,952
CHILDRENS PROGRAMS										
CIRT	122,909	25,387	631	18,705	7,856	2,854	1,498	4,208	-	184,048
COSP	2,111,669	347,272	36,134	62,218	12,124	7,547	16,788	10,347	-	2,604,099
High Fidelity Wrap Around	213,311	49,294	1,150	23,648	7,285	4,431	8,635	4,267	-	312,021
Mastery	541,243	120,893	43,569	4,529	2,380	10,208	635	3,063	-	726,520
North E3 Center	446,798	111,405	14,242	122,741	10,781	61,294	28,901	60	-	796,222
School Therapeutic Services	2,088,833	444,459	504,934	58,732	39,750	42,369	4,350	36,379	-	3,219,826
Stepping Stones	839,236	224,346	155,219	353,489	14,529	64,785	9,070	45,332	-	1,706,006
SUPPORTED ADULT-1260 HOUSING	323,971	72,449	13,047	81,152	18,967	23,641	20,790	3,606	-	557,623
SUPPORTED ADULT-HUD	125,635	28,583	2,026	236,840	2,606	2,387	6,105	57	-	404,239
MAINSTREAM	99,296	26,268	720	1,882	-	166,342	25,910	2,691	-	323,109
FAMILIES IN TRANSITION	156,167	31,880	7,167	248,485	3,580	10,395	4,019	982	-	462,675
PROJECT ADVANTAGE	366,696	101,587	1,850	75,223	7,079	30,122	1,111	27,487	-	611,156
NEW START 1 & 2	925,809	224,774	145,612	188,241	11,861	126,943	14,391	200,473	73,096	1,911,200
PERKWOOD	807,626	230,221	2,563	7,689	16,561	35,326	143,336	55,266	-	1,300,588
FASST/CONNECTIONS	1,169,251	325,804	80,531	47,081	45,718	38,139	53,073	66,732	64,553	1,892,904
WOODSTOCK SHELTER	849,147	250,367	3,268	71,610	17,663	58,205	5,539	34,084	-	1,289,883

The accompanying notes are an integral part of these consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2013**

	SALARIES	BENEFITS	FEES AND SERVICES	OCCUPANCY	COMMUNICA-TIONS	PROGRAM SUPPLIES	TRAVEL AND MISC	SMALL EQUIPMENT & MAINTENANCE	PROPERTY AND EQUIPMENT	TOTAL
<b>Program</b>										
<b>NORTHEAST PENNSYLVANIA (excludes IDD)</b>										
Hope House	426,161	100,571	49,280	34,232	6,790	28,099	3,381	9,212	-	657,726
New Perspectives - Residential	427,651	101,314	54,165	24,564	10,827	26,305	3,843	16,020	-	644,689
New Perspectives - Phone	267,578	68,854	8,338	7,184	6,865	4,138	1,244	3,101	-	367,902
New Perspectives - Mobile	163,092	40,686	15,348	6,851	3,405	1,403	1,181	23,846	-	255,812
New Perspectives - CIT	77,364	20,496	5,207	1,422	619	3,072	3,106	17,820	9,450	138,556
Crossroads Flex Housing Fund	26,969	4,827	2,554	50,753	91	351,355	3,174	3,429	-	443,152
Lehigh County Medical Mobile	13,610	2,934	-	83,513	44	2,183	252	1,150	-	103,686
Lehigh Valley ACT	2,130,956	519,682	507,258	175,777	82,709	172,163	209,423	147,526	35,949	3,981,443
Lehigh Valley ICM	119,965	25,310	156,720	5,524	2,660	1,151	88	4,115	-	315,533
Power	306,526	80,312	4,993	36,457	14,457	13,206	8,839	28,191	-	492,981
Peir Weather Lodge	287,325	69,605	16,106	103,061	7,834	70,331	13,809	47,193	46,125	661,489
Forensic Re-entry Initiative	11,001	143	40,825	-	-	77	337	-	-	52,383
LV Housing Support	6,614	1,011	-	177,248	272	-	-	98	-	185,243
CMP - Community Connections	277,529	75,333	5,278	59,930	13,250	1,687	11,183	23,135	-	467,325
Cross Roads	57,463	15,443	-	236,990	4,598	2,988	1,949	16,902	-	338,333
Cross Roads Supportive Family Housing	66,527	17,177	-	141,050	4,012	5,013	2,524	13,667	-	249,970
Hope Springs - Lehigh County	288,142	74,847	5,674	27,382	5,609	27,318	2,393	18,112	27,362	476,539
Hope Springs - Northampton County	380,217	94,385	6,927	36,538	6,092	43,930	4,250	21,234	21,800	615,373
Youth Hope Crisis Residence	8,500	728	5,472	5,872	-	-	1,911	-	20,000	42,483
<b>CONNECTICUT</b>	<b>4,460,039</b>	<b>1,048,692</b>	<b>301,406</b>	<b>492,217</b>	<b>74,851</b>	<b>323,585</b>	<b>247,924</b>	<b>326,475</b>	<b>-</b>	<b>7,275,189</b>
<b>DELAWARE</b>										
Brandywine Hills	419,644	90,865	29,999	75,945	4,238	50,940	8,092	27,956	-	707,679
Passages	778,133	166,291	53,919	145,990	9,026	92,572	12,371	62,605	4,001	1,323,908
ACT/ICM	1,512,666	266,417	700,600	229,118	61,242	271,141	115,239	141,534	-	3,297,957
Choices	710,194	183,228	34,056	13,009	8,697	74,544	14,294	29,557	-	1,067,579
Mainstay Delaware	614,420	154,274	14,838	93,234	24,252	72,919	11,123	14,363	45,628	1,045,071
Mainstay Delaware - Philadelphia	160,998	48,826	1,785	29,071	3,395	23,383	12,703	11,654	-	291,615
Specialized Treatment Services	94,394	13,969	8,227	5,548	2,650	4,276	6,838	1,540	-	139,439
<b>FLORIDA</b>	<b>3,216,261</b>	<b>941,380</b>	<b>27,881</b>	<b>443,692</b>	<b>51,241</b>	<b>312,696</b>	<b>29,125</b>	<b>388,518</b>	<b>-</b>	<b>5,410,794</b>
<b>LOUISIANA</b>										
Womanspace	441,108	115,110	3,808	20,150	8,431	27,453	3,934	19,682	-	639,676
Family House	652,027	144,999	34,588	164,480	10,475	92,469	4,172	74,136	-	1,177,346
Pathways	353,489	83,757	5,447	205,437	14,671	34,276	8,938	26,440	2,000	734,455
Reach-in C.A.R.E./SAFE	225,933	50,617	6,187	28,298	5,756	9,397	8,116	14,141	-	348,445
ACT Team 1 & 2	1,246,909	270,163	472,697	51,908	44,119	97,444	118,064	75,420	26,978	2,403,702
Shelter Plus Care	-	-	-	77,908	-	-	-	-	-	77,908
Metropolitan ACT	632,229	132,683	236,969	59,110	28,021	42,277	47,363	43,318	23,046	1,245,016
Mobile Crisis	633,637	111,049	82,298	24,038	28,733	9,849	24,418	18,446	-	932,468
Metro Crisis	977,251	197,519	145,087	88,703	32,840	36,214	4,417	55,773	59,813	1,597,617
Homeless Outreach	130,966	30,110	622	8,998	4,257	12,089	205	23,907	-	211,154
Community Support Team	771,353	198,771	3,162	57,740	19,102	32,351	32,750	4,069	-	1,119,298
<b>MASSACHUSETTS</b>	<b>3,244,107</b>	<b>838,612</b>	<b>8,831</b>	<b>849,898</b>	<b>58,538</b>	<b>301,131</b>	<b>31,436</b>	<b>240,650</b>	<b>22,840</b>	<b>5,596,043</b>
<b>MISSOURI</b>										
St. Louis	2,520,099	683,477	14,459	425,819	34,286	127,698	123,805	108,088	-	4,037,731
Kansas City	852,970	210,677	16,095	241,891	21,567	62,537	81,447	37,716	-	1,524,900

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**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2013**

	SALARIES	BENEFITS	FEES AND SERVICES	OCCUPANCY	COMMUNICA-TIONS	PROGRAM SUPPLIES	TRAVEL AND MISC	SMALL EQUIPMENT & MAINTENANCE	PROPERTY AND EQUIPMENT	TOTAL
<b>Program</b>										
NEBRASKA										
Lincoln	4,438,950	1,135,467	5,782	398,723	79,903	266,350	94,477	146,111	-	6,565,763
Omaha	91,242	17,587	-	52,832	22,694	22,987	5,587	17,223	-	230,152
<b>NEW JERSEY</b>										
Supported Adult-Passaic	440,716	110,213	10,169	329,075	22,101	39,671	5,074	46,829	24,419	1,028,267
Supported Adult/RIST-Ocean County	770,075	189,673	19,685	910,756	31,609	66,135	9,302	69,929	40,586	2,113,752
Supported Adult-Tri-County	304,507	64,646	11,643	311,335	16,601	20,120	3,970	58,473	24,224	813,519
Camden Housing Program	255,263	69,328	10,225	392,672	10,059	16,911	7,834	23,884	-	786,286
Camden Mainstay	15,665	2,685	5,907	7,186	4,967	4,446	2,588	9,779	21,337	74,570
<b>NORTH CAROLINA</b>										
ACT	380,770	87,087	132,861	193,992	23,166	69,930	27,682	44,513	-	960,001
Residential	971,606	303,817	16,087	249,316	34,775	121,545	28,033	132,809	-	1,857,968
<b>RHODE ISLAND</b>	1,563,988	449,729	9,966	157,879	11,361	50,302	184,994	64,607	-	2,492,826
<b>TENNESSEE</b>										
IDD	6,923,294	1,870,570	84,462	243,889	111,235	160,442	150,996	529,013	57,848	10,131,749
Supportive Housing	166,195	30,273	405	241,747	12,458	17,482	9,993	12,864	-	491,417
<b>VIRGINIA</b>										
Specialized Treatment Services	207,961	43,164	4,560	15,211	4,320	2,237	4,394	19,956	-	301,603
Rise Above	63,502	13,543	2,118	211	3,213	499	4,170	463	-	87,719
<b>FAMILY PRACTICE AND COUNSELING NETWORK</b>										
SALT CHESTER COUNTY	7,600,665	1,539,981	3,747,641	1,123,639	161,650	821,301	115,728	207,016	569,114	15,886,635
CHESTER YOUTH BUILD	105,035	20,873	4,674	19,675	1,651	7,793	2,036	8,943	16,152	186,832
POINT TO POINT	18,637	3,764	4,550	6,570	4,334	541	79	325	-	36,800
NEW BEGINNINGS	783,015	191,968	(1,120)	77,161	34,732	7,369	259,733	208,828	-	1,561,686
FUTURE SEARCH	799,769	163,170	594,303	46,181	95,226	181,432	92,914	8,439	-	1,981,434
ENDOW-A-HOME	13,988	7,370	25,354	-	1,696	10,628	2,519	45	-	61,610
HIGH STREET	172,205	36,609	14,666	200,661	4,442	7,913	9,875	147,723	7,200	601,294
MISCELLANEOUS	58,966	13,309	35	10,724	2,108	483	2,550	1,866	-	90,041
	1,593,077	222,726	192,041	105,071	12,796	109,312	491,315	296,938	71,922	3,095,198
<b>Grand Totals</b>	<b>115,602,475</b>	<b>28,696,651</b>	<b>11,875,327</b>	<b>19,445,518</b>	<b>2,594,213</b>	<b>9,660,026</b>	<b>3,791,257</b>	<b>8,792,969</b>	<b>1,666,215</b>	<b>202,324,651</b>
Property and equipment capitalized	-	-	-	-	-	-	-	-	(1,602,752)	(1,602,752)
Change in inventory costs capitalized	(9,577)	(1,497)	(10,703)	(13,658)	-	(10,019)	(1,784)	(11,691)	66,831	7,702
Depreciation and amortization expense	-	-	-	(89,775)	-	-	-	-	3,217,767	3,217,767
Long term debt principal payments made	-	-	-	(1,388,927)	-	(110,634)	(158,303)	(1,229,610)	-	(3,167,554)
Interunit charges and other activity	-	-	(280,080)	-	-	-	-	-	-	(89,775)
Vacation accrual	115,663	2,795	-	-	-	-	-	-	-	118,458
Elimination of program fundraising costs	(196,116)	(40,322)	-	-	(19,978)	-	-	-	-	(256,416)
Other consolidated entities	-	-	-	187,242	-	-	26,823	-	-	214,065
Elimination of consolidated activity	(58,966)	(13,309)	(354,831)	(148,568)	(2,108)	(483)	(2,550)	(1,866)	-	(582,681)
<b>Total Program</b>	<b>\$ 115,453,479</b>	<b>\$ 28,644,318</b>	<b>\$ 11,229,713</b>	<b>\$ 18,191,432</b>	<b>\$ 2,572,127</b>	<b>\$ 9,538,890</b>	<b>\$ 3,655,443</b>	<b>\$ 7,549,802</b>	<b>\$ 9,346,061</b>	<b>\$ 200,183,469</b>
<b>Management and General</b>	<b>\$ 16,452,718</b>	<b>\$ 3,259,197</b>	<b>\$ 2,225,851</b>	<b>\$ 1,900,325</b>	<b>\$ 647,040</b>	<b>\$ 596,805</b>	<b>\$ 1,133,716</b>	<b>\$ 1,895,280</b>	<b>\$ 3,276,973</b>	<b>\$ 31,387,905</b>
Depreciation and amortization expense	-	-	-	-	-	-	-	-	1,176,341	1,176,341
Property and equipment capitalized	-	-	-	-	-	-	-	-	(3,276,973)	(3,276,973)
Long term debt principal payments made	-	-	-	(122,383)	-	-	-	-	-	(122,383)
Elimination of admin fundraising costs	(113,802)	(22,037)	(2,011)	-	(107)	-	(5,035)	(5,000)	-	(147,992)
Other consolidated entities	-	-	-	-	-	-	24,624	-	-	24,624
Elimination of consolidated activity	-	-	-	-	-	-	(61,974)	-	-	(61,974)
<b>Total Management and General</b>	<b>\$ 16,338,916</b>	<b>\$ 3,237,160</b>	<b>\$ 2,223,840</b>	<b>\$ 1,777,942</b>	<b>\$ 646,933</b>	<b>\$ 596,805</b>	<b>\$ 1,091,331</b>	<b>\$ 1,890,280</b>	<b>\$ 1,176,341</b>	<b>\$ 28,979,548</b>
<b>Fundraising</b>	<b>\$ 309,919</b>	<b>\$ 62,358</b>	<b>\$ 2,011</b>	<b>\$ -</b>	<b>\$ 20,085</b>	<b>\$ -</b>	<b>\$ 5,035</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ 404,408</b>

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**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2012**

	SALARIES	BENEFITS	FEES AND SERVICES	OCCUPANCY	COMMUNICA-TIONS	PROGRAM SUPPLIES	TRAVEL AND MISC	SMALL EQUIPMENT & MAINTENANCE	PROPERTY AND EQUIPMENT	TOTAL
<b>Program</b>										
LOWER MERION COUNSELING SERVICES										
MH Outpatient	\$ 316,594	\$ 70,125	\$ 397,134	\$ 144,803	\$ 20,810	\$ 20,822	\$ 3,852	\$ 41,967	\$ -	\$ 1,016,107
Student Assistance	4,696	1,242	-	9,570	-	-	-	-	-	15,508
Recovery	224,894	53,385	980	23,017	25,933	6,992	2,901	24,926	-	363,028
Case Management	50,784	10,104	-	363	34	-	510	-	-	61,795
CONSULTANTS IN CONTEXT -Montgomery County	285,874	51,039	56,811	24,051	5,818	11,136	11,212	5,597	-	451,538
NEW FOUNDATIONS/WELLSPRINGS-Montgomery County	1,035,130	294,702	15,785	418,648	27,544	116,873	11,937	128,139	19,346	2,068,104
COMPEER-Montgomery County	81,225	18,212	1,593	13,099	5,964	7,265	4,207	406	-	131,971
COMPEER-Delaware County	28,176	8,914	-	8,433	3,411	3,536	668	-	-	53,138
NEW OPTIONS-Montgomery County	588,561	162,309	19,011	125,226	17,412	92,302	2,906	86,788	18,500	1,113,015
POSITIVE RESOLUTIONS-Montgomery County	907,080	249,356	23,580	228,424	44,186	127,363	17,604	79,387	-	1,676,980
COORDINATED HOMELESS OUTREACH CENTER	615,989	179,907	1,654	52,429	18,762	182,150	2,711	166,138	-	1,219,740
COORDINATED HOMELESS OUTREACH CENTER CT1	166,843	50,019	6,262	10,525	10,242	7,793	4,232	21,503	-	277,419
RISE ABOVE -Montgomery County	400,133	78,827	188,553	70,691	15,084	26,254	7,249	11,272	-	798,063
METHADONE CENTER-Montgomery County	732,007	175,334	101,513	102,419	12,069	66,331	17,944	30,049	-	1,237,666
WOMANSPACE-Ardmore-Montgomery County	227,685	66,235	615	43,775	5,589	41,288	8,091	26,281	-	419,559
FAMILY HOUSE-Norristown-Montgomery County	360,256	99,332	24,147	34,525	10,802	43,736	4,782	30,222	-	607,802
WOMANSPACE-Philadelphia	344,780	89,540	38,249	44,156	9,474	54,585	7,290	64,825	-	652,899
FAMILY HOUSE-Philadelphia	359,533	103,420	24,503	96,489	10,417	44,118	5,051	59,594	-	703,125
MORRIS HOUSE	167,572	42,391	3,363	24,832	3,269	20,819	2,097	44,494	9,450	318,287
BEHAVIORAL HEALTH SERVICES -CITY OF PHILA.	10,044,285	2,792,708	278,201	2,448,345	237,104	1,237,786	93,378	807,616	55,029	17,994,452
NOVA III	730,392	186,852	26,127	120,309	11,295	58,348	1,692	27,968	-	1,162,983
ATR	2,879	542	642	-	-	789	-	751	-	5,603
TEAM ARRIVE	40,433	6,225	-	292	933	19	548	15,767	-	64,217
PENNSYLVANIA IDD	26,031,436	7,265,394	1,075,421	3,790,228	420,468	1,722,147	394,531	2,274,930	86,015	43,060,570
EARLY INTERVENTIONS	255,361	61,919	321,769	28,651	11,683	9,155	9,820	4,197	-	702,555
RSS - Montgomery County	62,821	12,998	1,365	21,989	498	5,286	2,212	14,713	26,001	147,883
ADESHA VILLAGE -Department of Autism	94,705	23,185	814	4,568	1,216	6,788	1,675	5,891	-	138,842
SPECIALIZED TREATMENT SERVICES PA	104,866	19,629	27,194	18,832	4,342	6,632	1,291	18,767	-	201,553
RHD BRIDGES - Allegheny County	612,778	171,984	61,284	82,955	13,135	51,827	15,397	23,071	20,605	1,053,036
CHILDRENS PROGRAMS										
CIRT	242,921	53,123	804	20,803	10,779	2,761	2,962	2,526	-	336,679
COSP	2,360,299	413,149	58,819	61,762	37,345	11,614	24,403	18,165	-	2,985,556
High Fidelity Wrap Around	85,951	17,829	3,354	7,646	3,496	1,948	1,847	19,506	-	141,577
Mastery	520,964	109,581	40,630	5,165	2,979	19,407	1,556	18,224	-	718,506
North E3 Center	447,134	112,031	5,225	118,114	10,146	35,381	38,312	5,257	-	771,600
School Therapeutic Services	2,354,036	500,757	238,872	64,104	31,953	28,327	3,291	48,317	-	3,269,657
Stepping Stones	754,894	202,960	135,370	333,683	11,382	28,299	4,712	29,584	-	1,500,884
SUPPORTED ADULT-1260 HOUSING	344,994	84,084	26,890	69,565	14,615	31,457	14,181	13,443	-	599,229
SUPPORTED ADULT-HUD	142,742	34,319	319	173,305	5,243	4,001	2,277	14,163	-	376,369
MAINSTREAM	89,822	24,233	265	3,233	2,451	82,790	10,311	1,400	-	214,505
FAMILIES IN TRANSITION	152,965	36,563	3,434	254,737	3,718	11,231	4,033	360	-	467,041
PROJECT ADVANTAGE	367,367	101,852	7,500	72,468	7,176	50,549	1,324	13,782	-	622,018
NEW START 1 & 2	1,063,621	294,061	69,615	185,850	22,009	119,385	6,187	68,111	-	1,828,839
RIDGE AVENUE SHELTER/FERNWOOD	1,125,030	333,578	557,887	87,915	31,692	79,131	12,376	69,494	-	2,297,103
FASST/CONNECTIONS	1,098,207	312,618	66,390	50,208	42,534	27,109	15,476	45,650	-	1,658,192
WOODSTOCK SHELTER	831,737	261,956	1,894	62,577	15,171	54,585	4,959	29,519	-	1,262,398

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**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2012**

	<b>SALARIES</b>	<b>BENEFITS</b>	<b>FEES AND SERVICES</b>	<b>OCCUPANCY</b>	<b>COMMUNICA-TIONS</b>	<b>PROGRAM SUPPLIES</b>	<b>TRAVEL AND MISC</b>	<b>SMALL EQUIPMENT &amp; MAINTENANCE</b>	<b>PROPERTY AND EQUIPMENT</b>	<b>TOTAL</b>
<b>Program</b>										
<b>NORTHEAST PENNSYLVANIA (excludes IDD)</b>										
Hope House	450,553	118,509	50,970	36,020	9,215	38,060	4,115	31,524	35,939	774,905
New Perspectives - Residential	430,034	109,951	87,479	88,025	10,155	30,561	4,383	19,200	-	779,788
New Perspectives - Phone	250,888	66,309	9,180	29,009	5,973	4,588	1,302	3,345	-	370,604
New Perspectives - Mobile	171,847	46,590	22,438	29,311	2,676	1,624	1,639	23,992	-	300,117
New Perspectives - CIT	74,562	16,880	16,498	2,471	2,384	679	6,823	32,874	22,185	175,356
Crossroads Flex Housing Fund	1,200	227	300	94,101	134	23,737	3,787	34,480	-	157,966
Lehigh County Medical Mobile	8,904	1,816	-	87,138	25	3,143	67	2,506	-	103,599
Lehigh Valley ACT	1,976,832	478,430	447,795	244,710	76,926	55,890	180,133	153,466	46,375	3,660,557
Lehigh Valley ICM	115,606	23,833	158,758	7,173	3,054	173	6	3,429	-	312,032
Power	309,673	83,725	6,726	32,605	10,050	20,246	10,194	21,391	-	494,610
Fair Weather Lodge	230,948	57,923	(12,682)	80,711	6,263	43,567	9,959	33,955	418,980	869,624
LV Housing Support	6,406	1,040	168	166,093	152	-	-	620	-	174,479
CMP - Community Connections	276,434	75,151	1,018	53,777	12,528	5,726	14,618	19,806	-	459,058
Cross Roads	66,796	17,729	383	239,101	4,965	6,760	3,877	17,341	-	356,952
Cross Roads Supportive Family Housing	99,748	25,922	283	136,947	3,052	2,068	1,152	23,184	-	292,356
Hope Springs - Lehigh County	279,057	78,618	2,277	28,201	5,308	25,923	1,901	36,461	-	457,746
Hope Springs - Northampton County	378,897	103,021	3,390	33,259	5,809	40,299	2,901	30,568	29,370	627,514
<b>CONNECTICUT</b>	<b>4,415,897</b>	<b>1,055,959</b>	<b>226,593</b>	<b>471,532</b>	<b>64,873</b>	<b>252,713</b>	<b>243,692</b>	<b>327,187</b>	<b>202,382</b>	<b>7,260,828</b>
<b>DELAWARE</b>										
Wilmington NOW	404,719	100,181	21,323	115,455	4,372	48,237	5,923	15,821	-	716,031
Brandywine Hills	349,357	78,879	19,815	75,438	5,501	51,965	3,024	20,821	-	604,800
Passages	752,089	166,518	44,104	143,240	12,128	114,109	9,816	62,217	-	1,304,221
ACT/ICM	73,235	11,983	6,266	28,417	17,592	14,924	5,925	114,630	-	272,972
Choices	619,520	182,670	82,963	30,865	8,657	102,787	6,995	37,196	-	1,071,653
Mainstay Delaware	641,686	144,521	16,021	99,690	21,496	86,100	13,547	19,294	50,928	1,093,283
Mainstay Delaware - Philadelphia	166,412	53,721	2,517	19,101	3,163	9,362	332	4,141	-	258,749
Specialized Treatment Services	82,813	14,417	50,828	1,375	1,969	764	6,357	4,745	-	163,268
<b>FLORIDA</b>	<b>3,324,031</b>	<b>997,851</b>	<b>61,902</b>	<b>501,944</b>	<b>64,039</b>	<b>338,381</b>	<b>30,382</b>	<b>350,716</b>	<b>-</b>	<b>5,669,246</b>
<b>LOUISIANA</b>										
Womanspace	431,635	119,811	6,864	72,667	9,981	42,030	7,704	42,023	-	732,715
Family House/LA SAFE	535,980	119,354	28,771	182,300	13,955	47,802	5,981	38,359	-	972,502
Pathways	437,976	110,363	3,702	233,603	17,118	32,750	14,086	17,519	-	867,117
LA CARE	124,325	27,177	583	15,365	3,510	2,955	6,770	392	-	181,077
ACT	905,250	197,116	444,223	132,806	34,870	17,842	61,440	28,065	-	1,821,612
Metropolitan ACT	569,558	119,166	243,545	49,154	23,522	38,043	37,717	24,133	-	1,104,838
MCS	449,094	92,235	83,196	23,124	32,366	6,182	13,005	22,138	-	721,340
Metropolitan Crisis Continuum (MCC)	643,873	113,904	124,639	40,715	25,822	37,374	11,579	(6,862)	135,568	1,126,612
Jefferson Parish Outreach	121,897	28,418	43	10,424	2,600	23,040	819	21,056	1,992	210,289
Housing Support Team	842,667	207,671	2,937	56,787	18,586	11,696	42,319	14,382	-	1,197,025
<b>MASSACHUSETTS</b>	<b>3,257,299</b>	<b>887,620</b>	<b>7,871</b>	<b>810,917</b>	<b>57,500</b>	<b>288,846</b>	<b>29,142</b>	<b>232,539</b>	<b>157</b>	<b>5,571,891</b>
<b>MISSOURI</b>	<b>2,496,227</b>	<b>653,244</b>	<b>19,683</b>	<b>430,471</b>	<b>36,861</b>	<b>189,285</b>	<b>125,194</b>	<b>133,110</b>	<b>91,425</b>	<b>4,175,500</b>
<b>NEBRASKA</b>	<b>2,809,341</b>	<b>629,509</b>	<b>19,297</b>	<b>256,404</b>	<b>51,864</b>	<b>216,291</b>	<b>76,714</b>	<b>138,461</b>	<b>29,553</b>	<b>4,227,434</b>
<b>NEW JERSEY</b>										
Supported Adult-Passaic	424,642	116,859	40,162	312,391	19,471	38,632	12,814	45,527	-	1,010,498
Supported Adult/RIST-Ocean County	773,670	193,218	21,553	833,616	29,269	48,577	6,759	70,171	-	1,976,833
Supported Adult/RIST-Ancora	-	-	-	-	-	11,043	824	63	-	11,930
Supported Adult-Tri-County	243,613	53,438	15,421	273,176	13,406	46,678	3,867	42,561	20,308	712,468
Camden Housing Program	248,220	73,783	16,598	388,354	6,078	9,392	10,243	25,761	-	778,429

The accompanying notes are an integral part of these consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENDITURES**  
**YEAR ENDED JUNE 30, 2012**

	SALARIES	BENEFITS	FEES AND SERVICES	OCCUPANCY	COMMUNICATIONS	PROGRAM SUPPLIES	TRAVEL AND MISC	SMALL EQUIPMENT & MAINTENANCE	PROPERTY AND EQUIPMENT	TOTAL
Program										
NORTH CAROLINA	1,409,246	420,396	129,687	367,233	64,898	181,128	40,734	148,467	-	2,761,789
RHODE ISLAND	1,432,772	406,792	3,239	148,017	12,255	52,021	146,105	62,184	32,629	2,296,014
TENNESSEE										
IDD	5,449,358	1,461,376	82,143	215,072	88,746	161,286	157,345	346,797	-	7,962,123
Supportive Housing	11,538	1,887	-	-	27	2,636	608	9,434	-	26,130
VIRGINIA										
Specialized Treatment Services	161,769	36,373	24,155	13,823	4,383	6,763	6,289	16,540	-	270,095
Rise Above	7,202	1,209	97	-	301	345	1,163	1,040	-	11,357
FAMILY PRACTICE AND COUNSELING NETWORK	7,203,121	1,446,762	3,700,567	1,086,081	132,499	794,474	126,293	439,636	378,774	15,308,207
CHESTER YOUTH BUILD	68,697	10,202	98	50,843	7,404	977	134	-	-	138,355
POINT TO POINT	834,147	210,334	3,532	94,221	43,261	6,243	262,194	264,603	19,964	1,738,499
NEW BEGINNINGS	506,704	111,666	600,559	33,930	102,741	179,540	58,052	14,929	-	1,608,121
FUTURE SEARCH	14,549	7,485	4,950	-	1,899	10,878	9,066	20	-	48,847
ENDOW-A-HOME	169,908	36,964	13,020	195,985	2,477	6,920	8,306	77,599	-	511,179
PARTNERSHIP FOR EMPLOYMENT	163,792	36,688	97,774	36,435	4,271	11,217	34,756	2,079	-	387,012
HIGH STREET	54,361	12,715	-	10,167	2,214	3,547	2,561	5,158	-	90,723
MISCELLANEOUS	539,244	93,350	176,841	56,515	13,824	96,065	718,337	76,623	7,240	1,778,039
<b>Grand Totals</b>	<b>106,160,271</b>	<b>27,387,982</b>	<b>11,156,901</b>	<b>18,869,084</b>	<b>2,440,601</b>	<b>8,505,009</b>	<b>3,395,765</b>	<b>8,212,177</b>	<b>1,758,715</b>	<b>187,886,505</b>
Property and equipment capitalized	-	-	-	-	-	-	-	-	(1,700,258)	(1,700,258)
Change in inventory costs capitalized	-	-	-	(3,096)	-	-	(15,051)	(14,513)	77,661	45,001
Depreciation and amortization expense	-	-	-	-	-	-	-	-	2,470,155	2,470,155
Long term debt principal payments made	-	-	-	(85,513)	-	-	-	-	-	(85,513)
Interunit charges and other activity	-	-	(246,791)	(775,028)	-	-	(605,715)	(1,041,232)	-	(2,668,766)
Vacation accrual	162,434	18,278	-	-	-	-	-	-	-	180,712
Elimination of program fundraising costs	(143,818)	(31,574)	-	-	(21,167)	-	-	-	-	(196,559)
Other consolidated entities	-	-	-	188,791	-	-	27,074	-	-	215,865
Elimination of consolidated activity	(54,361)	(12,715)	(362,659)	(177,855)	(2,214)	(3,547)	(2,561)	(5,158)	-	(621,070)
<b>Total Program</b>	<b>\$ 106,124,526</b>	<b>\$ 27,361,971</b>	<b>\$ 10,547,451</b>	<b>\$ 18,016,383</b>	<b>\$ 2,417,220</b>	<b>\$ 8,501,462</b>	<b>\$ 2,799,512</b>	<b>\$ 7,151,274</b>	<b>\$ 2,606,273</b>	<b>\$ 185,526,072</b>
Management and General	\$ 16,140,488	\$ 3,143,067	\$ 1,505,133	\$ 1,700,840	\$ 557,889	\$ 434,874	\$ 2,942,791	\$ 1,514,342	\$ 1,641,297	\$ 29,580,721
Depreciation and amortization expense	-	-	-	-	-	-	-	-	1,916,118	1,916,118
Property and equipment capitalized	-	-	-	-	-	-	-	-	(1,641,297)	(1,641,297)
Long term debt principal payments made	-	-	-	(202,526)	-	-	-	-	-	(202,526)
Elimination of admin fundraising costs	(116,561)	(24,289)	(592)	-	(1,441)	(57)	(4,440)	-	-	(147,380)
Other consolidated entities	-	-	-	-	-	-	16,547	-	-	16,547
Elimination of consolidated activity	-	-	-	-	-	-	(1,675,000)	-	-	(1,675,000)
<b>Total Management and General</b>	<b>\$ 16,023,927</b>	<b>\$ 3,118,778</b>	<b>\$ 1,504,541</b>	<b>\$ 1,498,314</b>	<b>\$ 556,448</b>	<b>\$ 434,817</b>	<b>\$ 1,279,898</b>	<b>\$ 1,514,342</b>	<b>\$ 1,916,118</b>	<b>\$ 27,847,183</b>
<b>Fundraising</b>	<b>\$ 260,379</b>	<b>\$ 55,863</b>	<b>\$ 592</b>	<b>\$ -</b>	<b>\$ 22,608</b>	<b>\$ 57</b>	<b>\$ 4,440</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 343,939</b>

The accompanying notes are an integral part of these consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Cash flows from operating activities:</b>		
Changes in total net assets before noncontrolling interests and capital distributions	\$ 296,116	\$ 6,476,426
Adjustments to reconcile changes in total net assets before noncontrolling interests and capital distributions to net cash (used in) provided by operating activities:		
Noncontrolling interests in net (loss) income of investments	(25,328)	33,053
(Gain) loss on sale/disposition of property and equipment	(44,383)	74,917
Unrealized loss (gains) on limited use investments	27,341	(3,312)
Net increase (decrease) in allowances for doubtful accounts and uncollectible advances and loans	1,054,730	(1,228,959)
Depreciation and amortization	5,037,076	4,660,768
Equity in net losses of investments	256,109	87,271
Deferred credit forgiveness	(3,000)	(71,333)
Change in fair value of interest rate swap	(184,644)	21,803
Changes in operating assets and liabilities:		
(Increase) decrease in operating assets:		
Accounts receivable	(8,008,396)	428,303
Inventory	30,860	299,196
Prepaid expenses	(591,257)	(651,367)
Other assets	23,354	141,868
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	1,228,135	3,209,564
Deferred revenue	778,983	(2,373,288)
Contract advances	(8,932)	(23,201)
Retirement plans	(174,318)	(121,356)
<b>Net cash (used in) provided by operating activities</b>	<u>(307,554)</u>	<u>10,960,353</u>
<b>Cash flows from investing activities:</b>		
Acquisitions of property and equipment	(5,200,612)	(3,490,056)
Proceeds from sale of property and equipment	355,069	126,035
Purchases of limited use investments	(1,186,012)	(726,087)
Proceeds from sale of limited use investments	877,141	667,845
Net collection/(issuances) of advances and loans	<u>9,008</u>	<u>(17,728)</u>
<b>Net cash used in investing activities</b>	<u>(5,145,406)</u>	<u>(3,439,991)</u>

	<u>2013</u>	<u>2012</u>
<b>Cash flows from financing activities:</b>		
Net proceeds/(payments) on lines of credit and short-term borrowings	641,381	(5,113,524)
Principal payments on long-term debt	(942,891)	(923,220)
Contributed capital from noncontrolling interest	334,891	65,988
Distributions to noncontrolling interest	(17,306)	(115,831)
Capital distributions	<u>(166,667)</u>	<u>(166,667)</u>
<b>Net cash used in financing activities</b>	<u>(150,592)</u>	<u>(6,253,254)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	(5,603,552)	1,267,108
<b>Cash and cash equivalents, beginning of year</b>	<u>5,848,436</u>	<u>4,581,328</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 244,884</u></u>	<u><u>\$ 5,848,436</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for interest	<u><u>\$ 899,638</u></u>	<u><u>\$ 1,044,116</u></u>
Taxes paid	<u><u>\$ 4,860</u></u>	<u><u>\$ 13,656</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Debt incurred for the acquisition of property and equipment	<u><u>\$ 457,600</u></u>	<u><u>\$ -</u></u>
Non cash gain on dissolution of subsidiary	<u><u>\$ -</u></u>	<u><u>\$ 87,967</u></u>
Decrease in long-term commitment and related investment	<u><u>\$ 45,000</u></u>	<u><u>\$ 15,000</u></u>

# **RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2013 AND 2012**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Nature of Activities**

Resources for Human Development, Inc. (RHD) is a comprehensive social services organization whose mission is to empower the most vulnerable and marginalized members of our society as they build the highest level of independence possible. RHD oversees and supports more than 160 locally-managed programs in 14 states, which helps tens of thousands of people of all abilities each year. These innovative and effective programs specialize in helping people who have mental illnesses or intellectual disabilities, those who are homeless, people rejoining society after incarceration, and people with histories of substance abuse, so that they may build better lives for themselves, their families, and their communities. Program areas encompass these community needs: arts, culture and humanities, community commerce, community improvement and capacity building, crime prevention, education, employment readiness and job training, environmental quality, health care, homelessness prevention, behavioral health, substance abuse, intellectual disabilities, reintegration after incarceration, volunteer development, and youth development, wellness, and education.

Through its for-profit subsidiaries, RHD operates programs designed to assist businesses which provide quality low-moderate income jobs that lead to sustainable improvements in distressed communities, primarily by providing capital, investment funding and technical assistance. Through Murex, the Organization has invested in entities such as SQA Pharmacy (SQA). SQA is a "closed-door" pharmacy dedicated to providing high quality pharmaceutical services to both RHD managed and non-RHD managed health care facilities in the greater Philadelphia area as well as out of state. The pharmacy uses a share of its profits and dividends to donate funds to the health care community.

#### **Basis of Presentation**

The accompanying consolidated financial statements include the accounts of RHD, its for-profit subsidiaries, Murex Corporation (Murex) (100% owned by RHD) and Murex Investments, Inc. (Murex Investments) (93% owned by RHD), as well as two related not-for-profit organizations which RHD controls, The SQ Foundation (SQ) and The Non-profit Housing Corporation of Pennsylvania (NPHO), and one trust which is consolidated as a variable interest entity, the RHD Special Needs Pooled Trust (SNPT) (collectively referred to hereafter as "the Organization"). The following entities have been consolidated with Murex and are reflected in the consolidated financial statements: Murex Motors Inc., SQA Pharmacy, LLC, High Street Manor Associates (High Street), TRS, LLP (Taunton Run), Murex Partnership #1, Murex Partnership #2 and Brothers' Keepers Hope Improvements, LLC (Brothers' Keepers). During calendar year 2011, Murex Partnership #1 and Murex Partnership #2 were dissolved. The remaining assets and liabilities of these partnerships were absorbed by Murex resulting in a gain of \$87,967. At June 30, 2012, the entity, Brothers' Keepers, ceased operations. The ongoing activity of the program transferred to RHD's post adjudication efforts.

The consolidated financial statements have been prepared in accordance with the audit guide published by the American Institute of Certified Public Accountants, Audit and Accounting Guide for Not-for-Profit Organizations, as required for Voluntary Health and Welfare Organizations. Inter-company investments, advances and transactions have been eliminated.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (continued)**

SNPT has been consolidated with the Organization under the requirements of the Financial Accounting Standards Board Accounting Standards Codification. SNPT is a variable interest entity in which RHD is the primary beneficiary.

Prior to June 30, 2012, Brothers' Keepers had been consolidated with Murex under the requirements of the Financial Accounting Standards Board Accounting Standards Codification. Brothers' Keepers was a variable interest entity in which Murex was the primary beneficiary. Effective June 30, 2012, Brothers' Keepers became a wholly owned subsidiary of Murex.

Other operating expenditures included in the consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets relate to the operating expenses of the for-profit consolidated entities.

Accounting principles generally accepted in the United States of America require not-for-profit organizations to distinguish between contributions received that increase permanently restricted net assets, temporarily restricted net assets and unrestricted net assets.

Donated space, goods, and certain services are required to be reported at their fair market value in the year that they are contributed. The Organization records in-kind income and expenses for reporting to its funding sources in accordance with the associated contract requirements. The contract requirements for reporting donated services differ from generally accepted accounting principles. Accordingly, only a portion of the amounts reported to funding sources have been recorded as donated services in the accompanying consolidated financial statements.

**Revenue and Support**

Revenue is recognized as services are provided based on contracted or established reimbursement rates. Some reimbursement rates are negotiated with payers and can be based on actual costs. Support from government contracts and grants, including overhead allowance, is generally recognized as the related expenses are incurred. The Organization has contracts and grants with various agencies of the federal, state and local governments, and departments of the City of Philadelphia.

**Net Assets**

Net assets are categorized according to externally (donor) imposed restrictions. A description of the net asset categories is as follows:

***Unrestricted net assets*** - are those assets that are available for the support of operations and whose use is not externally restricted.

***Temporarily restricted net assets*** - are those assets whose use by the Organization has been limited by donors to a specific time period or purpose.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Assets (continued)**

***Permanently restricted net assets*** – are those assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor that can be fulfilled or otherwise removed by actions of the Organization. There were no permanently restricted net assets as of June 30, 2013 and 2012.

Restricted contributions received whose restrictions are for the purchase of property and equipment are released at a rate of the related depreciation of the property and equipment purchased.

**Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of temporary cash investments and receivables from governmental and other agencies. The receivables from governmental agencies are primarily obligations of the federal and various state governments, the City of Philadelphia and various counties. In addition, there are accounts receivable from third party managed care organizations that reimburse the Organization on behalf of governmental agencies.

**Cash and Cash Equivalents**

The Organization considers cash on hand, deposits with banks and short-term investments with original maturities of three months or less to be cash and cash equivalents.

**Limited Use Cash and Cash Equivalents**

Representative payee cash funds are custodial funds that have been established to account for assets received by the Organization on behalf of certain clients of certain programs. These funds are expended at the discretion of the program directors, for the direct benefit of the individual clients. This amount is also included as a current liability, due to custodial clients.

**Limited Use Investments**

The Organization has established the SNPT to hold assets on behalf of participating clients of certain programs. The use of these funds is restricted for the direct benefit of the individuals participating in the trust. The Organization has established a board of trustees to provide fiduciary oversight of the investments in the trust. The trust assets are investments in securities available-for-sale, which are reported at fair market value. Realized and unrealized gains or losses from the investments and income from the trust assets are included in the consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable**

Accounts receivable consist of amounts primarily due from federal, state and local governments as well as third party managed care organizations and are stated at the amount management expects to collect from balances outstanding at year end. Management has recorded an allowance for doubtful accounts based on their historical experience with accounts receivable collections.

**Inventory**

Inventory is recorded at the lower of cost, on a specific identification basis, or market (net realizable value) and consists of residential properties purchased or donated for resale and related construction-in-progress. Through its affordable housing programs, the Organization purchases, renovates and sells homes, primarily to eligible low-income families. Through its Brothers' Keepers program, the Organization provides employment to returning citizens training them in home improvement and renovation skills. Renovated homes are sold to any community member regardless of income. Inventory also consists of prescription and over-the-counter drugs used in the Organization's closed-door pharmacy and outpatient health centers.

**Property and Equipment and Depreciation and Amortization**

Property and equipment are recorded at cost. Provisions for depreciation and amortization are made over the estimated useful lives, ranging from 3 to 40 years, of the respective assets using the straight-line method. Maintenance and repairs are charged to activities as incurred. A substantial portion of capital assets has been purchased through grants and contracts. Such amounts received are included in support and revenue. Related expenditures are capitalized and depreciated over estimated lives when title to the related assets is held by the Organization.

Under certain program-funded agreements, ownership of property and equipment acquired with grantor funds is vested with and may revert back to the grantor under certain circumstances. However, due to the nature of the programs and the long-term relationships of the Organization with the grantors, management feels that the financial statements of the Organization are more accurate by capitalizing these assets.

**Equity Investments in Companies**

Equity investments in partnerships, limited liability companies and unconsolidated corporations are included in the accompanying consolidated financial statements using the equity and cost methods of accounting.

**Advances and Loans**

Advances and loans consist of advances or loans receivables initiated by Murex and Murex Investments to certain partnerships and companies. These financing receivables are stated at the amount management expects to collect from balances outstanding at year end. Management has recorded an allowance for uncollectible advances and loans based on the specific identification of at-risk financing receivables. Management performs an at-risk assessment of each advance and loan on an annual basis.



**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Revenue**

Deferred revenue consists primarily of program revenues received but not earned as of the date of the statements of financial position. Deferred revenues will be earned as the program conditions are met.

**Vacation Accrual**

All eligible employees (including program employees) of the Organization are able to carry over unused earned vacation time. Employees are able to use vacation time earned as of June 30<sup>th</sup> until the end of the last full pay period in that calendar year. At June 30, 2013 and 2012, \$2,302,481 and \$2,184,023, respectively, of program vacation expenses and related taxes are included in accrued expenses. A portion of the vacation accrual related to program employees will ultimately be charged to and reimbursed by cost reimbursed programs, resulting in an accrual of program revenue of \$623,803 and \$807,136 at June 30, 2013 and 2012, respectively. At June 30, 2013 and 2012, there is \$1,678,678 and \$1,376,887, respectively, of program vacation expense accrued for which no revenue or receivable was recorded as these amounts were incurred under fee-for-service contracts. In addition, at June 30, 2013 and 2012, \$568,845 and \$618,812, respectively, of administrative vacation expenses and related taxes are also included in accrued expenses.

**Derivative Instruments**

Part of the Organization's interest rate risk management strategy is to stabilize cash flow requirements by maintaining interest rate swap contracts to convert certain variable-rate debt to a fixed rate. Interest rate swap contracts designated and qualifying as hedges against future cash flows are reported at fair value. The gain or loss on the hedges is reflected in changes in unrestricted net assets.

**Tax Status**

RHD, SQ, and NPHO are exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state and local laws. SNPT is a grantor trust and as such is exempt from federal, state and local income taxes. Under Internal Revenue Code Sections 671-678, all trust income is taxable to the grantors, which in this case are the members of the trust. Therefore, no provision for income taxes has been made in the accompanying consolidated financial statements related to these entities. Murex and Murex Investments are for-profit corporations and are subject to federal, state and local taxation. Within Murex are various entities organized as limited partnerships, limited liability companies, or Subchapter S Corporations. These entities are not subject to federal or state income taxes. Income or losses from these entities are reflected in the members'/partners'/shareholders' tax returns.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Financial Instruments**

Generally accepted accounting principles require entities to disclose the estimated fair value of their financial instrument assets and liabilities. In addition to the derivative instruments identified above, the Organization has identified the following as financial instruments, all of which have carrying values which approximate fair value: cash and cash equivalents, accounts receivable, limited use investments, equity investments in and advances to companies, and long-term debt.

**Noncontrolling Interests**

Noncontrolling Interests reflect the equity of subsidiaries which are not owned by RHD or its subsidiaries.

**Reclassifications**

Certain amounts in the 2012 financial statements have been reclassified to conform to the 2013 financial statement presentation. These reclassifications did not result in any changes to previously reported net assets.

**2. UNCONDITIONAL PROMISES TO GIVE**

The Organization records unconditional promises to give when received. During the years ended June 30, 2013 and 2012, contributions were received with multiple year payment terms. These receivables were recorded at their present value using a discount rate of 3.25%.

	<u>2013</u>	<u>2012</u>
Gross unconditional promises to give	\$ 168,000	\$ 496,000
Less unamortized discount	<u>(409)</u>	<u>-</u>
	<u>\$ 167,591</u>	<u>\$ 496,000</u>
Amounts due:		
Within one year	\$ 155,000	\$ 496,000
Within two to five years	<u>12,591</u>	<u>-</u>
	<u>\$ 167,591</u>	<u>\$ 496,000</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****YEARS ENDED JUNE 30, 2013 AND 2012****2. UNCONDITIONAL PROMISES TO GIVE (CONTINUED)**

The current portion of this receivable is reported as part of accounts receivable at June 30, 2013 and 2012, with the remaining balance reported as other assets in the consolidated statements of financial position.

**3. LIMITED USE INVESTMENTS**

Investments in SNPT, stated at fair value, as of June 30, 2013 and 2012, are as follows:

	<u>2013</u>	
	<u>Cost</u>	<u>Fair Value</u>
Fixed income securities	\$ 517,517	\$ 492,646
Money market funds	<u>567</u>	<u>567</u>
	<u>\$ 518,084</u>	<u>\$ 493,213</u>
	<u>2012</u>	
	<u>Cost</u>	<u>Fair Value</u>
Fixed income securities	\$ 191,891	\$ 194,361
Money market funds	<u>17,322</u>	<u>17,322</u>
	<u>\$ 209,213</u>	<u>\$ 211,683</u>

The following schedule summarizes the investment returns for the years ended June 30, 2013 and June 30, 2012:

	<u>2013</u>	<u>2012</u>
Investment income	\$ 5,910	\$ 4,479
Unrealized (loss) gain	<u>(27,341)</u>	<u>3,312</u>
	<u>\$ (21,431)</u>	<u>\$ 7,791</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**4. PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment (at cost) and accumulated depreciation and amortization as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Real estate and improvements	\$ 27,346,389	\$ 25,881,933
Leasehold improvements	14,195,863	13,406,303
Furniture and fixtures	4,568,401	4,324,546
Computer equipment and software	6,572,490	6,101,924
Automobiles	<u>10,210,994</u>	<u>9,295,096</u>
	62,894,137	59,009,802
Less accumulated depreciation and amortization	<u>39,207,957</u>	<u>35,634,072</u>
	<u>\$ 23,686,180</u>	<u>\$ 23,375,730</u>

Depreciation and amortization expense for the years ended June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Program	\$ 3,217,767	\$ 2,470,155
Management and general	1,176,341	1,916,118
Other operating	<u>642,968</u>	<u>274,495</u>
	<u>\$ 5,037,076</u>	<u>\$ 4,660,768</u>

**5. EQUITY INVESTMENTS IN COMPANIES AND NONCONTROLLING INTERESTS**

The Organization has investments in the following companies either individually or through its for-profit subsidiaries, Murex and Murex Investments.

<u>Company Name</u>	<u>Percentage of Ownership</u>
CSS Staffing, Inc.	30.00
Laptop Service Center	30.00
Murex Capital, LP	27.30
Murex Capital II, LP	33.30
Murex Investments I, LP	42.72
Murex Investments, LLC	20.00
Murex Investments II, LLC	20.00
Other miscellaneous investments	.01-1.00

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**5. EQUITY INVESTMENTS IN COMPANIES AND NONCONTROLLING INTERESTS (CONTINUED)**

Aggregate cost and carrying values of these investments are as follows:

	<u>2013</u>	<u>2012</u>
Original investments, at cost	\$ 4,232,290	\$ 4,277,290
Accumulated allocated net losses, distributions, and return of capital	<u>(3,076,284)</u>	<u>(2,820,175)</u>
Equity investments in companies	\$ <u>1,156,006</u>	\$ <u>1,457,115</u>

Over the past several years, the Organization has received donor designated grants and donations for the purpose of investing in companies through Murex and Murex Investments, to promote economic and job development in specified areas in Pennsylvania. These companies are typically considered risky based on their current financial position and inability to receive additional financing from their banks. The Organization recognized approximately \$256,000 of net loss and \$700 of net income from these investments during the years ended June 30, 2013 and 2012, respectively.

The Organization accounts for most of its investments using the equity method, even some in which they own less than 20%. In most cases, the Organization exercises significant influence and in those investments in which it owns less than 20%, the equity method approximates the cost method. The Organization uses the cost method in cases in which it owns less than 20% and does not exercise significant influence. The Organization's losses are limited to the extent of its capital contributions.

The noncontrolling interest in Murex Investments consists of a 7% non-voting common stock ownership by another investor as of June 30, 2013 and 2012. The Organization owns all of the voting equity of this subsidiary. As of June 30, 2013 and 2012, the value of the noncontrolling interest was \$0.

Effective July 1, 2009, Murex adopted new authoritative guidance for noncontrolling interests in consolidated financial statements. This guidance requires, among other things, that the ownership interest in subsidiaries be clearly identified and presented in the consolidated statement of financial position within equity/net assets, but separate from the parent's equity/net assets.

As of June 30, 2013 and 2012, there are three investments of Murex in which there is a noncontrolling interest. Murex has control of the companies but only the majority ownership of one. Control results from the Organization's appointment of management or members of the board of directors. The companies and the noncontrolling equity interests of the stated companies as of June 30, 2013 are as follows: High Street Manor Associates 99%, TRS, LLP (Taunton Run) 99.9%, and SQA Pharmacy, LLC 11.1% (22.2% as of June 30, 2012).

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****YEARS ENDED JUNE 30, 2013 AND 2012****6. ADVANCES AND LOANS**

The Organization through its for-profit subsidiaries, Murex and Murex Investments, has made loans and advances to certain partnerships and companies. In addition, the Organization, through its subsidiary, Murex Investments, has made loans to certain companies in which it has an equity interest. Murex and Murex Investments invest in certain companies located in distressed areas of Philadelphia, Pennsylvania. Its investees adhere to certain principles, including a minimum level of hiring local people from welfare, a minimum wage in excess of the applicable minimum wage, and the sharing of profits with the employees. The major sources of funds for investing in and lending to these companies were restricted grants and donations. The investments in these companies are accounted for using the equity method of accounting.

These advances and loans have interest rates that range from 0% to 10% and varying payment terms ranging from amounts due on demand to defined payments through April 2040. Some advances which are due on demand are classified as long-term as it is not the intention of the Organization to call these advances for payment in the fiscal year ending June 30, 2014.

The nature of the significant advances and loans as of June 30, 2013 and 2012 are as follows:

2013			
	Balance	Allowance	Net
Advances to affiliates	\$ 301,152	\$ (238,000)	\$ 63,152
Advances to companies	116,541	(60,253)	56,288
Mortgage note receivables	141,032	-	141,032
	<u>558,725</u>	<u>(298,253)</u>	<u>260,472</u>
Less current portion	<u>157,845</u>	<u>(111,814)</u>	<u>46,031</u>
	<u>\$ 400,880</u>	<u>\$ (186,439)</u>	<u>\$ 214,441</u>
2012			
	Balance	Allowance	Net
Advances to affiliates	\$ 299,529	\$ (237,999)	\$ 61,530
Advances to companies	124,530	(64,604)	59,926
Mortgage note receivables	143,674	-	143,674
	<u>567,733</u>	<u>(302,603)</u>	<u>265,130</u>
Less current portion	<u>166,608</u>	<u>(116,164)</u>	<u>50,444</u>
	<u>\$ 401,125</u>	<u>\$ (186,439)</u>	<u>\$ 214,686</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****YEARS ENDED JUNE 30, 2013 AND 2012****6. ADVANCES AND LOANS (CONTINUED)**

Allowances are determined based on the Organization's assessment of the creditworthiness of the companies. Changes in the allowance for doubtful advances and loans for the years ended June 30, 2013 and 2012 is:

	<u>2013</u>	<u>2012</u>
Beginning balance	\$ 302,603	\$ 252,897
Written off	-	-
Recovered	(4,350)	-
Provision	<u>-</u>	<u>49,706</u>
Ending balance	\$ <u>298,253</u>	\$ <u>302,603</u>

**7. DEFERRED INCOME TAXES AND NET OPERATING LOSS CARRYFORWARDS**

Murex Investments and Murex have recorded a net deferred income tax asset resulting from net operating loss carryforwards, unrealized gains and losses on investments, and allowances created against advances and loans to investees. As of June 30, 2013 and 2012, management has created a valuation allowance to account for the uncertainty that a portion of the deferred tax asset would be utilized.

The tax effects of temporary differences and carryforwards that give rise to deferred income tax assets as of June 30, 2013 and 2012 consist of the following:

	<u>2013</u>	<u>2012</u>
Net operating loss carryforwards	\$ 1,267,835	\$ 1,394,667
Unrealized gains on investments	(131,532)	(129,202)
Allowance on advances and loans to investees	<u>120,024</u>	<u>111,325</u>
Deferred income tax assets	1,256,327	1,376,790
Valuation allowance	<u>(942,060)</u>	<u>(1,062,523)</u>
	\$ <u>314,267</u>	\$ <u>314,267</u>

Deferred income tax assets are included in other assets in the consolidated statements of financial position.

Murex Investments has net operating loss carryforwards of approximately \$2,000,000 as of June 30, 2013 which are available to offset future federal taxable income. These carryforwards will begin to expire in 2024.

Murex has net operating loss carryforwards of approximately \$1,500,000 as of June 30, 2013 which are available to offset future federal taxable income. These carryforwards will begin to expire in 2030.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**7. DEFERRED INCOME TAXES AND NET OPERATING LOSS CARRYFORWARDS (CONTINUED)**

Provisions for income tax benefits are included in interest and miscellaneous income on the consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets and consist of the following components:

	<u>2013</u>	<u>2012</u>
Deferred income tax (expense)/benefit	\$ (120,463)	\$ 627,379
Change in valuation allowance	<u>120,463</u>	<u>(627,379)</u>
	\$ <u>-</u>	\$ <u>-</u>

**8. LINES OF CREDIT AND SHORT-TERM BORROWINGS**

The Organization has lines of credit and short-term borrowings as of June 30, 2013 and 2012 consisting of the following:

	<u>2013</u>	<u>2012</u>
Line of credit of \$22,000,000 (including letters of credit) with a bank; interest on borrowings under this agreement is LIBOR plus 2.5%. The effective interest rate at June 30, 2013 and 2012 was 2.69% and 2.74%, respectively; the line is collateralized by accounts receivable and other assets of the Organization. This line was due to expire on July 31, 2013, but was extended until October 31, 2013 and renewed on November 1, 2013 with similar terms. This renewed agreement will expire in April 2015.	\$ 738,036	\$ -
Line of credit of \$650,000 with a bank; interest on borrowings under this agreement is prime rate plus 1.0%; the effective interest rate at June 30, 2013 and 2012 was 4.25%; the line is collateralized by all personal property of SQA Pharmacy. This line was due to expire on July 31, 2013, but was extended until October 31, 2013 and not subsequently renewed. As of November 1, 2013, SQA will share in the line of credit disclosed above.	<u>396,821</u>	<u>493,476</u>
	\$ <u>1,134,857</u>	\$ <u>493,476</u>

The Organization was obligated under outstanding letters of credit of \$7,436,026 and \$5,040,914 at June 30, 2013 and 2012, respectively.



**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**9. LONG-TERM DEBT**

Long-term debt as of June 30, 2013 and 2012 consist of the following:

	<u>2013</u>	<u>2012</u>
<b>RHD:</b>		
Mortgage notes, payable in monthly installments ranging from \$0 to \$3,219, mostly including interest ranging from 1.0% to 8.75%, collateralized by various properties, maturing at various times from March 2016 through December 2040.	\$ 6,662,397	\$ 6,417,005
Note payable, interest and principal due monthly, interest at LIBOR plus 1.5% through 2018 (effective rate was 1.69% and 1.74% at June 30, 2013 and 2012, respectively), collateralized by accounts receivable and other assets.	3,535,558	4,101,998
Note payable, interest due semi-annually at 4.5%, principal due May 2014. This note was paid off during the year ended June 30, 2013.	-	50,000
<b>Murex Corporation:</b>		
Mortgage notes (related to Taunton Run), payable in monthly installments ranging from \$0 to \$23,602, mostly including interest ranging from 1% to 7.1%, collateralized by rental property and equipment, maturing at various times from June 2027 through December 2028.	3,902,419	4,004,391
Mortgage notes (related to High Street), payable in monthly installments ranging from \$0 to \$2,672, mostly including interest ranging from 1% to 6.5%, collateralized by income producing assets, maturing at various times from 2021 through 2035.	643,541	655,812
<b>Murex Investments:</b>		
Notes payable, interest due semi-annually based on the participating percentage of operating distributions received from Murex Investments I, LP, outstanding principal due on March 24, 2018, collateralized by a participating interest in the investment in Murex Investments I, LP.	<u>996,286</u>	<u>996,286</u>
	15,740,201	16,225,492
Less current portion	<u>949,315</u>	<u>892,633</u>
Long-term portion	\$ <u><u>14,790,886</u></u>	\$ <u><u>15,332,859</u></u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**9. LONG-TERM DEBT (CONTINUED)**

Maturities of long-term debt over the next five years and thereafter are as follows:

<u>Year Ending June 30,</u>	
2014	\$ 949,315
2015	1,010,997
2016	1,325,668
2017	1,136,802
2018	2,186,232
Thereafter	<u>9,131,187</u>
Total	\$ <u>15,740,201</u>

Interest expense for the years ended June 30, 2013 and 2012 was \$988,685 and \$1,134,414, respectively.

As noted above, the Organization has a note payable which bears interest at LIBOR plus 1.5%. However, the Organization entered into an interest rate swap contract that effectively converts the interest rate on the note to 6.45%. The Organization pays interest on the note based on the current interest rate terms. In addition, under the swap agreement, the Organization either pays or receives additional amounts on the outstanding notional amount based on the relationship of the current interest rate terms to 6.45%. The notional amount under the swap decreases as principal payments are made on the note so that the notional amount equals the principal outstanding under the note. The swap is designed to hedge the risk of changes in interest payments on the note caused by changes in LIBOR.

The swap was issued at market terms so that it had no fair value at its inception. The carrying amount of the swap has been adjusted to its fair value at the end of the year, which because of changes in forecasted levels of LIBOR resulted in reporting a liability for the fair value of the future net payments forecasted under the swap. As of June 30, 2013 and 2012, the fair value of the swap liability was \$393,010 and \$577,654, respectively. The liability is classified as noncurrent since management does not intend to discontinue the swap contract during fiscal year 2014.

**10. DEFERRED CREDITS**

The Organization has received grants/loans from various governmental agencies for acquiring and/or rehabilitating properties for specified purposes. If the conditions of this loan agreement are met, this balance will be forgiven over a period of 30 years. The loan bears no interest except in the event of default. No interest has been accrued because it is the intention of the Organization to comply with all related conditions. The deferred credit balance is as follows:

	<u>2013</u>	<u>2012</u>
First Trust Savings (originated June 1998 to be forgiven at the rate of \$3,000 per year over a 30-year period ending June 2027)	\$ <u>42,000</u>	\$ <u>45,000</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**11. LEASE COMMITMENTS**

The Organization leases various buildings and equipment under leasing arrangements expiring through 2022. These leases are accounted for as operating leases. Generally, leases with terms beyond one year contain defunding clauses which allow the Organization to terminate a lease, within 90 days of the loss of government funding.

Future minimum annual rentals required under lease arrangements at June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	
2014	\$ 7,489,359
2015	4,581,491
2016	3,249,598
2017	1,819,495
2018	860,997
Thereafter	<u>541,793</u>
Total	\$ <u>18,542,733</u>

The Organization also maintains numerous leases with terms of up to one year which are not included in the above schedule. Rent expense for the years ended June 30, 2013 and 2012 totaled \$13,436,333 and \$12,799,483, respectively.

**12. CAPTIVE AND SELF-INSURANCE**

The Organization belongs to a captive Insurance program, which covers workers compensation and automobile insurance, for claims incurred prior to July 1, 2011. Effective July 1, 2011, the Organization is no longer part of this captive Insurance program and has entered into a large deductible insurance program for workers compensation claims. Excess and other Insurance policies are maintained with respect to the various other exposures, and claims are handled by third-party administrators. Included in accounts payable and accrued expenses at June 30, 2013 and 2012 is approximately \$5,621,000 and \$5,379,000, respectively, for future claims for all self-insured retentions, which represents an estimate by management. The ultimate cost, however, will depend on the magnitude and extent of future claims.

The Organization is also self-insured for unemployment claims in certain states, and therefore is responsible for paying actual unemployment claims as they are incurred. As a result, approximately \$4,511,000 and \$4,940,000 is included in accounts payable and accrued expenses as of June 30, 2013 and 2012, respectively, as a reserve for potential future unemployment claims. This also is an estimate by management and the ultimate cost will depend on the extent of future claims.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**13. RETIREMENT PLANS**

**Deferred Compensation Plan**

The Organization has implemented a non-qualified deferred compensation plan in accordance with Internal Revenue Service Code Section 457. In order to receive a payment under this plan, an employee must have both worked full-time for the Organization for 25 years and have attained the age of 65. The benefit amount is equal to the annual salary that the employee was receiving on the later of the dates on which the employee completes 25 years of service or attains the age of 65. It will be paid to the employee in four annual installments beginning in the year the employee attains both criteria. At June 30, 2013 and 2012, the liability amount recorded related to this benefit is \$400,154 and \$474,860, respectively. The current portion of this liability is \$177,580 and \$133,418, respectively, and has been included in accounts payable and accrued expenses.

**Medical Retirement Plan**

The Organization has implemented a non-qualified medical retirement plan. In order to receive a payment under this plan, an employee must have worked full-time for the Organization for 10 years, attained the age of 65, and have fully retired. The benefit amount for eligible expenditures is based on the number of years of service, ranges from \$3,000 to \$6,000 per year and is paid over the course of 2 to 10 years. At June 30, 2013 and 2012, the liability amount recorded related to this benefit is \$324,257 and \$372,683, respectively. The current portion of this liability is \$95,107 and \$88,083, respectively, and has been included in accounts payable and accrued expenses.

**Pension Plan**

The Organization maintains a "403(b)" plan for the benefit of its employees. Employee participation is voluntary and contributions by the employees are pursuant to salary reduction. The Organization does not match employee contributions.

**14. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are restricted for the following as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Restricted for the purchase of property and equipment and related depreciation	\$ 77,087	\$ 78,087
Restricted for program purpose	2,208,340	1,368,696
Social investment	254,760	254,760
Time restrictions	<u>152,592</u>	<u>480,000</u>
	<u>\$ 2,692,779</u>	<u>\$ 2,181,543</u>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**15. SUPPORT AND REVENUE**

A breakdown of both unrestricted and restricted support and revenue by geographic region for RHD only is as follows for the years ended June 30, 2013 and 2012:

	2013	2012
California	\$ 39,884	\$ 23,050
Connecticut	8,232,865	8,221,116
Delaware	8,587,558	6,227,989
Florida	6,352,415	6,352,504
Louisiana	12,335,366	10,339,703
Massachusetts	6,385,853	6,378,282
Missouri	6,468,719	4,791,319
Nebraska	7,474,689	4,795,486
New Jersey	6,136,943	5,842,632
North Carolina	2,653,354	2,658,254
Pennsylvania – Southeastern	115,589,793	121,899,464
Pennsylvania – Other	34,851,954	32,221,748
Rhode Island	2,569,418	2,422,805
Tennessee	12,496,615	9,195,375
Virginia	409,629	316,264
Total	\$ <u>230,585,055</u>	\$ <u>221,685,991</u>

**16. CONCENTRATIONS OF CREDIT RISK**

Programs operated by the Organization are primarily funded by various governmental agencies. The ability of the Organization to maintain its overhead structure and meet future financial commitments is dependent on the continued funding of these programs.

The Organization maintains cash balances at financial institutions located in various states. Accounts at an institution may, at times, exceed the Federally insured limits of \$250,000. As of June 30, 2013, approximately \$908,000 of cash balances exceeded insured limits.

**17. FAIR VALUE MEASUREMENTS**

The Organization's investments and swap liability are reported at fair value in the accompanying financial statements as follows:

	Fair Value at June 30, 2013			
	Level 1	Level 2	Level 3	Total
Fixed Income AAAB Bond	\$ -	\$ 492,646	\$ -	\$ 492,646
Money Market Funds	567	-	-	567
	<u>\$ 567</u>	<u>\$ 492,646</u>	<u>\$ -</u>	<u>\$ 493,213</u>
Swap liability	\$ -	\$ (393,010)	\$ -	\$ (393,010)

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**17. FAIR VALUE MEASUREMENTS (CONTINUED)**

Fair Value at June 30, 2012				
	Level 1	Level 2	Level 3	Total
Fixed Income AAAB Bond	\$ -	\$ 194,361	\$ -	\$ 194,361
Money Market Funds	<u>17,322</u>	<u>-</u>	<u>-</u>	<u>17,322</u>
	<u>\$ 17,322</u>	<u>\$ 194,361</u>	<u>\$ -</u>	<u>\$ 211,683</u>
Swap liability	<u>\$ -</u>	<u>\$ (577,654)</u>	<u>\$ -</u>	<u>\$ (577,654)</u>

The Organization's investments and interest rate swap are reported at fair value in the accompanying consolidated statements of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets and Level 3 inputs are unobservable and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments and interest rate swap. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 3 inputs were available to the Organization.

**Level 1 – Fair Value Measurements**

The fair value of money market funds is based on quoted net asset values ("NAV") of the shares held by the Organization at year-end.

**Level 2 – Fair Value Measurements**

The fair value of government and corporate bonds ("bonds") are valued based on the net asset values ("NAV") of units held by the Organization at year-end. Although the bonds are not available in an active market, the NAV of the units are approximated based on the quoted prices of the underlying investments that are traded in an active market. The fair value of the interest rate swap liability is valued based on a financial model which incorporates assumptions regarding past, present and future market conditions. Although this liability is not traded on the active market, management feels this method approximates fair value.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**18. CONSOLIDATION OF VARIABLE INTEREST ENTITIES**

A variable interest entity ("VIE") is consolidated if the VIE has either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support or whose equity investors lack the ability to control the entity's activities. SNPT is the only VIE within these consolidated financial statements and was established to hold and invest assets on behalf of participating clients of certain programs.

The Organization is the primary beneficiary of SNPT based on results of a qualitative assessment that the Organization has both the power to direct the activities that most significantly impact SNPT's economic performance.

Assets, liabilities and capital related to this VIE included in the consolidated statements of financial position (before eliminations) as of June 30, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Limited use Investments	\$ 493,213	\$ 211,683
Equity	<u>(493,213)</u>	<u>(211,683)</u>
	<u>\$ -</u>	<u>\$ -</u>

**19. OTHER COMMITMENTS AND CONTINGENCIES**

**Litigation**

The Organization is currently defending itself in several ongoing lawsuits. All estimated costs relating to these actions have been included in accrued expenses or are covered under existing insurance policies.

**Guarantee Commitment**

The Organization has applied the disclosure provisions of Topic 460 of the FASB Accounting Standards Codification, "Guarantees", to its agreements that contain guarantee clauses. These disclosure provisions expand those required by Topic 450 of the FASB Accounting Standards Codification, "Contingencies", by requiring a guarantor to disclose certain types of guarantees, even if the likelihood of requiring the guarantor's performance is remote. Topic 460 requires the Organization to record the guarantee commitments as liabilities in the statements of financial position, starting with guarantees entered into after December 31, 2002, rather than simply disclosing the guarantee commitments in the financial statement footnotes. The following is a description of the arrangement in which the Organization is the guarantor.

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

**19. OTHER COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Guarantee Commitment (continued)**

The Organization has guaranteed that there will be funds available in an entity partially owned by Murex Investments over a ten year period to match similar amounts provided by the Small Business Administration (SBA). The entity will use these funds for technical assistance in its investment program. If the entity cannot generate funds equal to the funds provided by the SBA for paying its technical assistance costs, then the Organization must provide the funds. At June 30, 2013, the Organization has received restricted contributions and grants available to fund this project, if necessary. The present value of the liability at June 30, 2013 and 2012 was \$5,600 and \$50,600, respectively and is reported as part of accounts payable and accrued expenses at June 30, 2013 and 2012 in the consolidated statements of financial position.

**Other Commitments**

SQA Pharmacy has a prime vendor agreement. This agreement provides that this vendor will be its primary provider of prescription and over-the-counter drugs purchased for resale.

**20. UNCERTAIN TAX POSITIONS**

Management of the Organization considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur upon examination by tax authorities, including changes to the Organization's status as a not-for-profit entity. Management believes RHD, SQ and NPHO met the requirements to maintain its tax-exempt status and has not identified any uncertain tax positions subject to the unrelated business income tax that require recognition or disclosure in the accompanying consolidated financial statements. Management has not identified any uncertain tax positions in filed income tax returns that require recognition or disclosure in the accompanying consolidated financial statements related to Murex Investments and Murex, as well as its related for-profit entities. The Organization's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

**21. SUBSEQUENT EVENTS**

The Organization has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through December 9, 2013, the date on which the consolidated financial statements were available to be issued.



## **SUPPLEMENTARY INFORMATION**

**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

We have audited the consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries as of and for the years ended June 30, 2013 and 2012, and have issued our report thereon dated December 9, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole.

The consolidating financial statements and notes included on pages 39 – 45 are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. The accompanying supplementary information on pages 46 through 100 is also presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. The schedules on pages 46 through 100 include only information of Resources for Human Development, Inc. and not its subsidiaries. All supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Philadelphia, Pennsylvania  
December 9, 2013

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2013**

<b>ASSETS</b>	<b>Resources for Human Development, Inc.</b>				<b>Other Entities</b>			<b>Eliminations</b>	<b>Total</b>
	<b>Operating</b>	<b>Equipment</b>	<b>Social Investment</b>	<b>Total</b>	<b>Murex Corporation</b>	<b>Murex Investments, Inc.</b>	<b>SQ Foundation NPHO &amp; SNPT</b>		
<b>Current assets:</b>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 213,531	\$ 1,634	\$ 29,719	\$ -	\$ 244,884
Limited use cash and cash equivalents, representative payee cash funds	1,348,675	-	-	1,348,675	-	-	-	-	1,348,675
Limited use investments	-	-	-	-	-	-	493,213	-	493,213
Accounts receivable, net of allowance for doubtful accounts of \$2,656,048	40,833,257	15,000	-	40,848,257	402,624	4,146	21,858	(114,914)	41,161,971
Advances and loans, current portion and net of allowance for uncollectible advances and loans of \$111,814	-	-	-	-	11,031	35,000	-	-	46,031
Inventory	165,505	-	-	165,505	437,926	-	-	-	603,431
Prepaid expenses	2,485,903	-	-	2,485,903	731,735	1,393	-	-	3,219,031
Interfund	876,413	-	293,347	1,169,760	-	-	-	(1,169,760)	-
<b>Total current assets</b>	<b>45,709,753</b>	<b>15,000</b>	<b>293,347</b>	<b>46,018,100</b>	<b>1,796,847</b>	<b>42,173</b>	<b>544,790</b>	<b>(1,284,674)</b>	<b>47,117,236</b>
Property and equipment, net	-	18,186,658	-	18,186,658	5,499,522	-	-	-	23,686,180
Equity investments in companies	40,553	-	5,600	46,153	36,000	1,073,853	-	-	1,156,006
Advances and loans, net of current portion and allowance for uncollectible advances and loans of \$186,439	6,091	-	1,331,339	1,337,430	156,893	34,916	-	(1,314,798)	214,441
Other assets	21,765	12,654	-	34,419	151,896	314,267	-	-	500,582
<b>Total assets</b>	<b>\$ 45,778,162</b>	<b>\$ 18,214,312</b>	<b>\$ 1,630,286</b>	<b>\$ 65,622,760</b>	<b>\$ 7,641,158</b>	<b>\$ 1,465,209</b>	<b>\$ 544,790</b>	<b>\$ (2,599,472)</b>	<b>\$ 72,674,445</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
JUNE 30, 2013

	Resources for Human Development, Inc.				Other Entities				Total
	Operating	Equipment	Social Investment	Total	Murex Corporation	Murex Investments, Inc.	SQ Foundation NPHO & SNPT	Eliminations	
<b>LIABILITIES AND NET ASSETS</b>									
<b>Current liabilities:</b>									
Lines of credit and short-term borrowings	\$ 738,036	\$ -	\$ -	\$ 738,036	\$ 396,821	\$ -	\$ -	\$ -	\$ 1,134,857
Current portion of long-term debt	-	846,420	-	846,420	102,895	-	-	-	949,315
Accounts payable and accrued expenses	27,933,786	-	5,600	27,939,386	849,758	712,733	21,858	(111,858)	29,411,877
Deferred revenue	2,872,112	-	-	2,872,112	1,611	-	-	-	2,873,723
Contract advances, current	53,000	-	-	53,000	-	-	-	-	53,000
Deferred credits, current	-	3,000	-	3,000	-	-	-	-	3,000
Due to custodial clients	1,348,675	-	-	1,348,675	-	-	-	-	1,348,675
Interfund	-	1,169,760	-	1,169,760	-	-	-	(1,169,760)	-
<b>Total current liabilities</b>	<b>32,945,609</b>	<b>2,019,180</b>	<b>5,600</b>	<b>34,970,389</b>	<b>1,351,085</b>	<b>712,733</b>	<b>21,858</b>	<b>(1,281,618)</b>	<b>35,774,447</b>
<b>Long-term liabilities:</b>									
Long-term debt, net of current portion	-	9,351,535	-	9,351,535	4,443,065	996,286	-	-	14,790,886
Contract advances, net of current portion	226,628	-	-	226,628	-	-	-	-	226,628
Deferred credits, net of current portion	-	39,000	-	39,000	-	-	-	-	39,000
Retirement plans, net of current portion	451,724	-	-	451,724	-	-	-	-	451,724
Other	393,010	-	-	393,010	3,297,183	102,875	494,100	(3,894,158)	393,010
<b>Total liabilities</b>	<b>34,016,971</b>	<b>11,409,715</b>	<b>5,600</b>	<b>45,432,286</b>	<b>9,091,333</b>	<b>1,811,894</b>	<b>515,958</b>	<b>(5,175,776)</b>	<b>51,675,695</b>
<b>Stockholders' equity:</b>									
Common stock	-	-	-	-	100	-	-	(100)	-
Additional paid in capital	-	-	-	-	608,330	4,106,010	-	(4,714,340)	-
Accumulated deficit	-	-	-	-	(2,420,674)	(4,452,695)	-	6,873,369	-
<b>Net assets:</b>									
Unrestricted	9,400,260	6,727,509	1,369,926	17,497,695	-	-	(464,381)	417,375	17,450,689
Temporarily restricted	2,360,931	77,088	254,760	2,692,779	-	-	-	-	2,692,779
<b>Total net assets before noncontrolling interests</b>	<b>11,761,191</b>	<b>6,804,597</b>	<b>1,624,686</b>	<b>20,190,474</b>	<b>(1,812,244)</b>	<b>(346,685)</b>	<b>(464,381)</b>	<b>2,576,304</b>	<b>20,143,468</b>
<b>Noncontrolling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>362,069</b>	<b>-</b>	<b>493,213</b>	<b>-</b>	<b>855,282</b>
<b>Total net assets</b>	<b>11,761,191</b>	<b>6,804,597</b>	<b>1,624,686</b>	<b>20,190,474</b>	<b>(1,450,175)</b>	<b>(346,685)</b>	<b>28,832</b>	<b>2,576,304</b>	<b>20,998,750</b>
<b>Total liabilities and net assets</b>	<b>\$45,778,162</b>	<b>\$18,214,312</b>	<b>\$1,630,286</b>	<b>\$65,622,760</b>	<b>\$7,641,158</b>	<b>\$1,465,209</b>	<b>\$544,790</b>	<b>\$(2,599,472)</b>	<b>\$72,674,445</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES**  
**AND OTHER CHANGES IN UNRESTRICTED NET ASSETS**  
**YEAR ENDED JUNE 30, 2013**

	Resources for Human Development, Inc.				Other Entities			Eliminations	Total
	Operating	Equipment	Social Investment	Total	Murex Corporation	Murex Investments, Inc.	SQ Foundation NPHO & SNPT		
<b>Support, revenue and other:</b>									
Support and revenue									
Federal	\$ 5,328,714	\$ -	\$ -	\$ 5,328,714	\$ -	\$ -	\$ -	\$ -	\$ 5,328,714
Medicaid	104,592,296	-	-	104,592,296	-	-	-	-	104,592,296
Managed care	36,973,040	-	-	36,973,040	-	-	-	-	36,973,040
City of Philadelphia, PA	24,730,916	-	-	24,730,916	-	-	197,144	-	24,928,060
Montgomery County, PA	7,962,317	-	-	7,962,317	-	-	-	-	7,962,317
Other state and local	32,517,584	-	-	32,517,584	-	-	-	-	32,517,584
Patient/client fees	11,580,192	-	-	11,580,192	-	-	-	-	11,580,192
Other fees and sales	2,618,604	-	-	2,618,604	6,556,289	-	-	(978,381)	8,196,512
Grants and donations	1,892,568	-	-	1,892,568	-	-	25,000	(25,000)	1,892,568
Interest and miscellaneous	1,303,663	-	30,000	1,333,663	49,259	5,152	(21,431)	(3,617)	1,363,026
<b>Total unrestricted support and revenue</b>	<b>229,499,894</b>	<b>-</b>	<b>30,000</b>	<b>229,529,894</b>	<b>6,605,548</b>	<b>5,152</b>	<b>200,713</b>	<b>(1,006,998)</b>	<b>235,334,309</b>
<b>Net assets released from temporary restrictions</b>	<b>542,925</b>	<b>1,000</b>	<b>-</b>	<b>543,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>543,925</b>
<b>Fund transfer</b>	<b>(4,617,963)</b>	<b>4,461,988</b>	<b>155,975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total unrestricted support, revenue and other</b>	<b>225,424,856</b>	<b>4,462,988</b>	<b>185,975</b>	<b>230,073,819</b>	<b>6,605,548</b>	<b>5,152</b>	<b>200,713</b>	<b>(1,006,998)</b>	<b>235,878,234</b>
<b>Expenditures:</b>									
Program	197,120,736	3,217,767	213,577	200,552,080	-	-	214,065	(582,680)	200,183,465
Management and general	27,778,583	1,176,341	61,975	29,016,899	-	-	24,624	(61,975)	28,979,548
Fundraising	404,408	-	-	404,408	-	-	-	-	404,408
Other operating	-	-	-	-	6,793,670	110,444	-	(424,318)	6,479,796
<b>Total expenditures</b>	<b>225,303,727</b>	<b>4,394,108</b>	<b>275,552</b>	<b>229,973,387</b>	<b>6,793,670</b>	<b>110,444</b>	<b>238,689</b>	<b>(1,068,973)</b>	<b>236,047,217</b>
<b>Income (loss) from operations</b>	<b>121,129</b>	<b>68,880</b>	<b>(89,577)</b>	<b>100,432</b>	<b>(188,122)</b>	<b>(105,292)</b>	<b>(37,976)</b>	<b>61,975</b>	<b>(168,983)</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF UNRESTRICTED REVENUES, EXPENDITURES**  
**AND OTHER CHANGES IN UNRESTRICTED NET ASSETS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2013**

	Resources for Human Development, Inc.				Other Entities				
	Operating	Equipment	Social Investment	Total	Murex Corporation	Murex Investments, Inc.	SQ Foundation NPHO & SNPT	Eliminations	Total
<b>Other changes in unrestricted net assets:</b>									
Equity in net loss of investments	-	-	-	-	(116,003)	(140,106)	-	-	(256,109)
Change in fair value of interest rate swap	184,644	-	-	184,644	-	-	-	-	184,644
<b>Total other changes in unrestricted net assets</b>	<b>184,644</b>	<b>-</b>	<b>-</b>	<b>184,644</b>	<b>(116,003)</b>	<b>(140,106)</b>	<b>-</b>	<b>-</b>	<b>(71,465)</b>
<b>Changes in unrestricted net assets before noncontrolling interests and capital distributions</b>	<b>305,773</b>	<b>68,880</b>	<b>(89,577)</b>	<b>285,076</b>	<b>(304,125)</b>	<b>(245,398)</b>	<b>(37,976)</b>	<b>61,975</b>	<b>(240,448)</b>
Noncontrolling interests in net (income) loss of investments	-	-	-	-	(10,727)	-	36,055	-	25,328
<b>Changes in unrestricted net assets before capital distributions</b>	<b>305,773</b>	<b>68,880</b>	<b>(89,577)</b>	<b>285,076</b>	<b>(314,852)</b>	<b>(245,398)</b>	<b>(1,921)</b>	<b>61,975</b>	<b>(215,120)</b>
Capital distributions	-	-	-	-	(166,667)	-	-	-	(166,667)
<b>Changes in unrestricted net assets</b>	<b>\$ 305,773</b>	<b>\$ 68,880</b>	<b>\$ (89,577)</b>	<b>\$ 285,076</b>	<b>\$ (481,519)</b>	<b>\$ (245,398)</b>	<b>\$ (1,921)</b>	<b>\$ 61,975</b>	<b>\$ (381,787)</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2013**

	Resources for Human Development, Inc.				Other Entities			Eliminations	Total
	Operating	Equipment	Social Investment	Total	Murex Corporation	Murex Investments, Inc.	SQ Foundation NPHO & SNPT		
<b>Unrestricted net assets:</b>									
Total unrestricted support and revenue	\$ 229,499,894	\$ -	\$ 30,000	\$ 229,529,894	\$ 6,605,548	\$ 5,152	\$ 200,713	\$ (1,006,998)	\$235,334,309
Net assets released from temporary restrictions	542,925	1,000	-	543,925	-	-	-	-	543,925
Fund transfer	(4,617,963)	4,461,988	155,975	-	-	-	-	-	-
Total expenditures	(225,303,727)	(4,394,108)	(275,552)	(229,973,387)	(6,793,670)	(110,444)	(238,689)	1,068,973	(236,047,217)
Equity in net loss of investments	-	-	-	-	(116,003)	(140,106)	-	-	(256,109)
Change in fair value of interest rate swap	184,644	-	-	184,644	-	-	-	-	184,644
Noncontrolling interests in net loss (income) of investments	-	-	-	-	(10,727)	-	36,055	-	25,328
Capital distributions	-	-	-	-	(166,667)	-	-	-	(166,667)
<b>Changes in unrestricted net assets</b>	<b>305,773</b>	<b>68,880</b>	<b>(89,577)</b>	<b>285,076</b>	<b>(481,519)</b>	<b>(245,398)</b>	<b>(1,921)</b>	<b>61,975</b>	<b>(381,787)</b>
<b>Temporarily restricted net assets:</b>									
Contributions	1,055,161	-	-	1,055,161	-	-	-	-	1,055,161
Net assets released from temporary restrictions	(542,925)	(1,000)	-	(543,925)	-	-	-	-	(543,925)
<b>Changes in temporarily restricted net assets</b>	<b>512,236</b>	<b>(1,000)</b>	<b>-</b>	<b>511,236</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>511,236</b>
<b>Changes in total net assets before noncontrolling interests</b>	<b>818,009</b>	<b>67,880</b>	<b>(89,577)</b>	<b>796,312</b>	<b>(481,519)</b>	<b>(245,398)</b>	<b>(1,921)</b>	<b>61,975</b>	<b>129,449</b>
<b>Noncontrolling Interests:</b>									
Net Income (loss) of investments	-	-	-	-	10,727	-	(36,055)	-	(25,328)
Contributions	-	-	-	-	-	-	334,891	-	334,891
Distributions	-	-	-	-	-	-	(17,306)	-	(17,306)
<b>Changes in noncontrolling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,727</b>	<b>-</b>	<b>281,530</b>	<b>-</b>	<b>292,257</b>
<b>Change in total net assets</b>	<b>818,009</b>	<b>67,880</b>	<b>(89,577)</b>	<b>796,312</b>	<b>(470,792)</b>	<b>(245,398)</b>	<b>279,609</b>	<b>61,975</b>	<b>421,706</b>
<b>Total net assets, beginning of year</b>	<b>10,943,182</b>	<b>6,736,717</b>	<b>1,714,263</b>	<b>19,394,162</b>	<b>(979,383)</b>	<b>(101,287)</b>	<b>(250,777)</b>	<b>2,514,329</b>	<b>20,577,044</b>
<b>Total net assets, end of year</b>	<b>\$ 11,761,191</b>	<b>\$ 6,804,597</b>	<b>\$ 1,624,686</b>	<b>\$ 20,190,474</b>	<b>\$ (1,450,175)</b>	<b>\$ (346,685)</b>	<b>\$ 28,832</b>	<b>\$ 2,576,304</b>	<b>\$ 20,998,750</b>

**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
SELECTED NOTES TO SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2013

**1. CONSOLIDATING FINANCIAL STATEMENTS, BASIS OF PRESENTATION**

**Resources For Human Development, Inc.**

***Operating***

The Operating column reflects the operating activities of RHD, excluding activities associated with the acquisition and depreciation of property and equipment (equipment column) and activities associated with certain restricted or designated grants and donations (social investment column).

***Equipment***

The acquisition cost and related depreciation of the property and equipment utilized within RHD programs is reflected in the Equipment column. The cost of property and equipment is included in program budgets and is typically funded directly or indirectly by governmental contracts or restricted grants and donations. The cost of property and equipment acquired is funded by operations or restricted grants and donations. Payment of principal on debt incurred to purchase property and equipment is also funded by annual transfers from operations. Expenditures reflected in the Equipment column represent the depreciation on property and equipment.

During the fiscal year, RHD transferred \$45,600 to the Equipment column from the Operating column. These funds will be utilized to fund future implementation of technology. The remaining net assets reflected on the consolidating statements of financial position will be utilized to offset depreciation in future years.

***Social Investment***

RHD receives grants and donations that are restricted or designated to be utilized for investment in companies and ventures, both for-profit and not-for-profit, which have a social impact. RHD historically has utilized this funding through investments made in its for-profit subsidiaries, Murex and Murex Investments, Inc., or loans and advances to these entities. The assets, liabilities and net assets associated with this activity are reflected on the consolidating statements of financial position. The revenue and expenditures, as well as the loss on investments made are reflected on the consolidating statements of unrestricted revenues, expenditures and other changes in unrestricted net assets and the consolidating statements of changes in net assets.

During the fiscal year, RHD transferred \$155,975 to the Social Investment column from the Operating column primarily for activities funded by operations that may not be recovered through social investment activities.

***Other Entities***

As discussed in footnote 1 in the Notes to consolidated financial statements, 100% of Murex Corporation and 93% of Murex Investments, Inc. are owned by RHD. In addition, RHD has control of two related not-for-profit organizations, The Non-Profit Housing Corporation of Pennsylvania and The SQ Foundation, as well as one trust, The RHD Special Needs Pooled Trust. The activity for these entities is reflected in the consolidating financial statements. In addition, the loss from RHD's investment in these entities is reflected in the Social Investment column within RHD. All activity between these entities has been eliminated and the eliminated activity is reflected in the Eliminations column on the consolidating financial statements.



**RESOURCES FOR HUMAN DEVELOPMENT, INC. AND SUBSIDIARIES**  
SELECTED NOTES TO SUPPLEMENTARY INFORMATION (CONTINUED)  
YEAR ENDED JUNE 30, 2013

**1. CONSOLIDATING FINANCIAL STATEMENTS, BASIS OF PRESENTATION (CONTINUED)**

**Resources For Human Development, Inc. (Continued)**

***Other Entities (continued)***

The following entities have been consolidated with Murex Corporation and are reflected in the consolidating financial statements: Murex Motors Inc., SQA Pharmacy, LLC, High Street Manor Associates, and TRS, LLP (Taunton Run).

<b>BASE FEE FOR SERVICE REPORTING FORM</b>			<u>City of Philadelphia</u> <u>Department of Behavioral Health</u> <u>&amp; Intellectual Disability Services</u>		Agency Name		Resources for Human Development, Inc		
					Period Covered		07/01/2012 -06/30/2013		
					Date Submitted		7/10/2013		
<b>PAC:</b>	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	W-Code/Site (Enter Below)	TOTAL PAC
<b>Program Activity Code</b>	0200-1637								
<b>Service Rate</b>	\$ 72.51								
<b>Service UOS</b>	365								
<b>Total Fees for Service</b>	\$ 26,466	-	-	-	-	-	-	-	\$ 26,466
<b>Actual Cost (per expenditure summary)</b>									26,134
<b>Surplus/ (Deficit)</b>									\$ 332

AGENCY NAME: RESOURCES FOR HUMAN DEVELOPMENT, INC.					THE AMOUNTS REPORTED HEREIN WERE VERIFIED BY THE AUDIT AND CONFORM TO THE POLICIES AND REGULATIONS AS STIPULATED IN THE CITY OF PHILADELPHIA'S SUBRECIPIENT AUDIT GUIDE.			PERIOD COVERED 07/01/2012 - 6/30/2013	
PROGRAM ACTIVITY SUMMARY			OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES		EXECUTIVE DIRECTOR: <i>Michael J. Roth</i>			DATE SUBMITTED 12/9/2013	
(X) BH					AUDITOR: <i>Shathon Marks Deva</i>				
PROGRAM ACTIVITY	PAC CODE	CONTRACT NUMBER	ELIGIBLE EXPENDITURES				REVENUE	NET TO BE FUNDED	INELIGIBLE COST
			PERSONNEL	OPERATING	ADMIN	TOTAL			
SR-General	0100-1400	13-20104	109,745	67,858	25,753	203,356	78	203,278	0
SR Special-Coord	0100-1493	13-20104	2,260	17,422	2,854	22,536	7,518	15,018	0
RA-Specialized Placements	0100-1612	13-20104	2,730	0	410	3,140	0	3,140	0
RA-Behavior Shaping	0100-1613	13-20104	2,233,298	959,085	487,060	3,679,443	249,662	3,429,781	0
RES-CLA	0100-1616	13-20104	1,228,812	357,339	242,191	1,828,342	94,638	1,733,704	0
RES-SIL Scattered	0100-1618	13-20104	145,000	258,732	60,660	464,292	370,767	93,535	0
RES-Other Spec Res	0100-1619	13-20104	140,939	0	0	140,939	0	140,939	0
RA-Senior/Elderly	0100-1621	13-20104	1,586,248	570,881	327,517	2,484,646	205,607	2,279,039	0
RES - Homeless	0100-1626	13-20104	884,434	389,134	206,035	1,579,603	37,213	1,542,390	0
RES-SIL Clustered	0100-1653	13-20104	416,862	158,171	86,255	661,288	327,683	333,605	0
RES - Progressive Demand	0100-1656	13-20104	441,174	256,253	104,464	800,891	78,945	721,946	0
RES-Miscellaneous	0100-1690	13-20104	23,550	9,302	4,928	37,780	0	37,780	0
RES-Program Enhancement	0100-1695	13-20104	87,028	15,348	15,356	117,730	9,676	108,054	0
AM - Homeless	0100-2026	13-20104	126,284	198,335	48,467	373,086	321,271	51,815	0
RA-Progressive Demand	0102-1616	13-20104	508,500	288,304	119,538	916,342	21,872	894,470	0
RA-Program Enhancement	0102-1622	13-20104	179,016	65,807	36,723	281,546	22,251	259,295	0
RES-General	0104-1600	13-20104	181,875	18,144	30,003	230,022	2,614	227,408	0
RA-Behavior Shaping	0104-1613	13-20104	106,661	115,830	33,209	254,600	23,979	230,621	0
RES-CLA	0104-1615	13-20104	192,334	86,504	46,094	324,932	23,334	301,598	0
RES-Elderly	0104-1621	13-20104	204,812	63,761	40,301	308,874	17,386	291,488	0
RES-Community Chipps	0104-1643	13-20104	174,153	30,184	30,651	234,988	6,969	228,019	0
RES-Clustered Sites	0104-1653	13-20104	105,763	86,705	28,871	221,339	794	220,545	0
RES-Program Enhancement	0104-1695	13-20104	104,459	38,396	21,429	164,284	12,984	151,300	0
RES-Start Up Chipps	0104-1696	13-20104	548,190	174,718	108,136	829,044	19,142	809,902	0
RES-Forensics	0107-1620	13-20104	540,182	239,615	116,970	896,767	84,710	812,057	0
RES-Medical-Chipps	0109-1622	13-20104	909,845	334,453	186,645	1,430,943	113,087	1,317,856	0
RES-Medical-CHPEXP2011	0111-1622	13-20104	44,031	16,186	9,033	69,250	5,473	63,777	0
RES-Medical Chipps	0112-1622	13-20104	61,744	22,220	12,748	96,712	8,003	88,709	0
RES-Behavior Shaping	0124-1613	13-20104	444,839	142,585	88,114	675,538	511,376	164,162	0
RES-Supported Independent Living	0184-1618	13-20104	140,216	13,975	23,129	177,320	0	177,320	0
RES-Homeless	0184-1626	13-20104	451,677	215,040	100,038	766,755	19,044	747,711	0
RA-HVT	0184-1633	13-20104	0	664,664	0	664,664	572,600	92,064	0
RA-CPS	0184-1663	13-20104	0	560,208	0	560,208	486,816	73,392	0
RES - Program Enhancement	0184-1695	13-20104	110,858	16,596	19,118	146,572	0	146,572	0
RES-Homeless-CBH	0184-1926	13-20104	0	2,683,061	0	2,683,061	2,149,175	533,886	0
RES-Homeless	0190-1626	13-20104	263,755	47,865	46,743	358,363	330	358,033	0
TOTAL			12,796,474	9,181,679	2,709,343	24,687,496	5,804,987	18,882,509	0

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**CONTRACT NO. 13-20104**  
**YEAR ENDED JUNE 30, 2013**

Code nos.	0100-1493	0100-1626	0102-1622	0104-1653	0112-1622
	0100-1612	0100-1653	0104-1600	0104-1695	0124-1613
	0100-1613	0100-1656	0104-1613	0104-1696	0184-1618
	0100-1618	0100-1690	0104-1615	0107-1620	0184-1626
	0100-1619	0100-1695	0104-1621	0109-1622	0184-1695
	0100-1621	0100-2026	0104-1643	0111-1622	0190-1626

There were no adjustments to the Program Activity Invoice Summary for the above code nos.

Code nos.	0100-1400	0184-1633
	0100-1615	0184-1663
	0102-1616	0184-1926

There were adjustments made to the Program Activity Invoice Summary for the above code nos., which are explained on pages 49 through 54.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
Code no: 0100-1400

	Revised Final Program Activity Invoice Summary	Audited Program Activity Invoice	Adjustment/ Difference
Personnel	\$ 109,745	\$ 109,745	\$ -
Operating	67,862	67,858	(4) (A)
Administration	<u>25,753</u>	<u>25,753</u>	<u>-</u>
Total	203,360	203,356	(4)
Revenue	<u>78</u>	<u>78</u>	<u>-</u>
Net to be Funded	<u><u>\$ 203,282</u></u>	<u><u>\$ 203,278</u></u>	<u><u>\$ (4) (B)</u></u>

Explanation of Adjustment/Difference:

(A) Expense adjustment after invoice submitted.

(B) Sum of resultant effects.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
Code no: 0100-1615

	Revised Final Program Activity Invoice Summary	Audited Program Activity Invoice	Adjustment/ Difference
Personnel	\$ 1,226,749	\$ 1,226,812	\$ 63 (A)
Operating	357,406	357,339	(67) (A)
Administration	<u>242,191</u>	<u>242,191</u>	<u>-</u>
Total	1,826,346	1,826,342	(4)
Revenue	<u>94,638</u>	<u>94,638</u>	<u>-</u>
Net to be Funded	<u><u>\$ 1,731,708</u></u>	<u><u>\$ 1,731,704</u></u>	<u><u>\$ (4) (B)</u></u>

Explanation of Adjustment/Difference:

(A) Expenses recorded and adjustments made after invoice submitted.

(B) Sum of resultant effects.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
Code no: 0102-1616

	Revised Final Program Activity Invoice Summary	Audited Program Activity Invoice	Adjustment/ Difference
Personnel	\$ 508,500	\$ 508,500	\$ -
Operating	288,418	288,304	(114) (A)
Administration	<u>119,538</u>	<u>119,538</u>	<u>-</u>
Total	916,456	916,342	(114)
Revenue	<u>21,872</u>	<u>21,872</u>	<u>-</u>
Net to be Funded	<u>\$ 894,584</u>	<u>\$ 894,470</u>	<u>\$ (114) (B)</u>

Explanation of Adjustment/Difference:

(A) Expense adjusted after invoice submitted.

(B) Sum of resultant effects.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
Code no: 0184-1633

	<u>Revised Final Program Activity Invoice Summary</u>	<u>Program Activity Invoice Summary</u>	<u>Adjustment/ Difference</u>
Managed Care (CBH) Units	19,971	20,450	479 (A)
County Pay Units	<u>3,127</u>	<u>3,288</u>	<u>161 (A)</u>
Total Units of Service	<u>23,098</u>	<u>23,738</u>	<u>640</u>
Rate	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>
 Total Fees	 \$ 646,744	 \$ 664,664	 \$ 17,920
Less Managed Care fees	<u>559,188</u>	<u>572,600</u>	<u>13,412 (B)</u>
Net to be Funded	<u>\$ 87,556</u>	<u>\$ 92,064</u>	<u>\$ 4,508 (B)</u>

Explanation of Adjustment/Difference:

(A) Billing adjustments recorded after MAFFS submitted.

(B) Extension of resultant effects.



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
 Code no: 0184-1663

	Revised Final Program Activity Invoice Summary	Audited Program Activity Invoice	Adjustment/ Difference
Managed Care (CBH) Units	20,324	22,128	1,804 (A)
County Pay Units	<u>2,910</u>	<u>3,336</u>	<u>426 (A)</u>
Total Units of Service	<u>23,234</u>	<u>25,464</u>	<u>2,230</u>
Rate	<u>\$ 22.00</u>	<u>\$ 22.00</u>	<u>\$ 22.00</u>
Total Fees	\$ 511,148	\$ 560,208	\$ 49,060
Less Managed Care fees	<u>447,128</u>	<u>486,816</u>	<u>39,688 (B)</u>
Net to be Funded	<u>\$ 64,020</u>	<u>\$ 73,392</u>	<u>\$ 9,372 (B)</u>

Explanation of Adjustment/Difference:

(A) Billing adjustments recorded after MAFFS submitted.

(B) Extension of resultant effects.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA DEPARTMENT OF PUBLIC HEALTH**  
**OFFICE OF BEHAVIORAL HEALTH & INTELLECTUAL DISABILITY SERVICES**  
**SCHEDULE OF ADJUSTMENTS ON PROGRAM ACTIVITY INVOICE SUMMARY**  
**YEAR ENDED JUNE 30, 2013**

Contract Number: 13-20104  
Code no: 0184-1926

	Revised Final Program Activity Invoice Summary	Audited Program Activity Invoice Summary	Adjustment/ Difference
Managed Care (CBH) Units 07/2012 - 01/2013	42,058	42,058	-
Managed Care (CBH) Units 02/2013 - 06/2013	24,596	25,107	511 (A)
County Pay Units 07/2012 - 01/2013	6,842	6,842	-
County Pay Units 02/2013 - 06/2013	8,714	8,761	47 (A)
Total Units of Service	82,210	82,768	558
Rate 07/2012 - 01/2013	\$ 27.58	\$ 27.58	\$ 27.58
Rate 02/2013 - 06/2013	\$ 39.40	\$ 39.40	\$ 39.40
Total Fees 07/2012 - 01/2013	\$ 1,348,662	\$ 1,348,662	\$ -
Total Fees 02/2013 - 06/2013	1,312,414	1,334,399	21,985
Total Fees	2,661,076	2,683,061	21,985
Less Managed Care fees	2,129,042	2,149,175	20,133 (B)
Net to be Funded	\$ 532,034	\$ 533,886	\$ 1,852 (B)

Explanation of Adjustment/Difference:

(A) Billing adjustments recorded after MAFFS submitted.

(B) Extension of resultant effects.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF SOURCE AND STATUS OF FUNDS**  
**CONTRACT NO. 1320124**  
**YEAR ENDED JUNE 30, 2013**

	<u>CDBG Funds</u>	<u>HOME Income</u>	<u>Other Funds</u>	<u>Total</u>
<b>Total contract:</b>	<u>\$ 90,733</u>	<u>\$278,820</u>	<u>\$ -</u>	<u>\$ 369,553</u>
<b>Less:</b>				
Funds drawn down - prior fiscal year	-	-	-	-
Funds drawn down - current year	<u>80,962</u>	<u>236,084</u>	<u>-</u>	<u>317,046</u>
Total funds drawn down	<u>80,962</u>	<u>236,084</u>	<u>-</u>	<u>317,046</u>
Funds still available for draw down	<u>\$ 9,771</u>	<u>\$ 42,736</u>	<u>\$ -</u>	<u>\$ 52,507</u>
<b>Total funds drawn down</b>	<u>\$ 80,962</u>	<u>\$ 236,084</u>	<u>\$ -</u>	<u>\$ 317,046</u>
<b>Add:</b>				
Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total funds received</b>	<u>80,962</u>	<u>236,084</u>	<u>-</u>	<u>317,046</u>
<b>Less:</b>				
Program income expended	-	-	-	-
Funds applied - prior fiscal year	-	-	-	-
Funds applied - current fiscal year	<u>80,962</u>	<u>236,084</u>	<u>-</u>	<u>317,046</u>
<b>Total funds applied</b>	<u>80,962</u>	<u>236,084</u>	<u>-</u>	<u>317,046</u>
<b>Total funds due from funding source</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total funds available for disposition</b>	<u>\$ 9,771</u>	<u>\$ 42,736</u>	<u>\$ -</u>	<u>\$ 52,507</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM INCOME**  
**CONTRACT NO. 1320124**  
**YEAR ENDED JUNE 30, 2013**

	<u>Sale Proceeds</u>	<u>Rent Collected</u>	<u>Total</u>
Program Income (cumulative through June 30, 2012)	\$ -	\$ -	\$ -
Less Program Income Expended in Prior Fiscal Years	<u>-</u>	<u>-</u>	<u>-</u>
Beginning Balance, July 1, 2012	-	-	-
Add Program Income Received in Current Fiscal Year	-	-	-
Less Program Income Expended in Current Fiscal Year	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, June 30, 2013	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM EXPENDITURES**  
**CONTRACT NO. 1320124**  
**YEAR ENDED JUNE 30, 2013**

Contract Categories	Project Budget				Accrued Expenditures Prior to July 1, 2012			
	CDBG Funds	Home Funds	Other Funds	Total Funds	CDBG Funds	Home Funds	Other Funds	Total Funds
Direct personnel	\$ 32,636	\$ -	\$ -	\$ 32,636	\$ -	\$ -	\$ -	\$ -
Direct fringe benefits	13,792	-	-	13,792	-	-	-	-
Travel	4,000	-	-	4,000	-	-	-	-
Rental payments	-	278,820	-	278,820	-	-	-	-
Occupancy	12,720	-	-	12,720	-	-	-	-
Consumable supplies	6,650	-	-	6,650	-	-	-	-
Equipment rental/lease	3,000	-	-	3,000	-	-	-	-
Professional services	11,835	-	-	11,835	-	-	-	-
Insurance	2,100	-	-	2,100	-	-	-	-
Other	4,000	-	-	4,000	-	-	-	-
<b>Operating subtotal</b>	<b>90,733</b>	<b>278,820</b>	<b>-</b>	<b>369,553</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Audit costs	-	-	-	-	-	-	-	-
<b>Contract total</b>	<b>\$ 90,733</b>	<b>\$ 278,820</b>	<b>\$ -</b>	<b>\$ 369,553</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM EXPENDITURES (CONTINUED)**  
**CONTRACT NO. 1320124**  
**YEAR ENDED JUNE 30, 2013**

Contract Categories	Accrued Expenditures July 1, 2012 to June 30, 2013				Accrued Expenditures Cumulative to June 30, 2013			
	CDBG Funds	Home Funds	Other Funds	Total Funds	CDBG Funds	Home Funds	Other Funds	Total Funds
Direct personnel	\$ 35,897	\$ -	\$ -	\$ 35,897	\$ 35,897	\$ -	\$ -	\$ 35,897
Direct fringe benefits	5,371	-	-	5,371	5,371	-	-	5,371
Travel	4,055	-	-	4,055	4,055	-	-	4,055
Rental payments	-	236,084	-	236,084	-	236,084	-	236,084
Occupancy	11,485	-	-	11,485	11,485	-	-	11,485
Consumable supplies	5,078	-	-	5,078	5,078	-	-	5,078
Equipment rental/lease	445	-	-	445	445	-	-	445
Professional services	10,630	-	-	10,630	10,630	-	-	10,630
Insurance	2,901	-	-	2,901	2,901	-	-	2,901
Other	5,100	-	-	5,100	5,100	-	-	5,100
<b>Operating subtotal</b>	<b>80,962</b>	<b>236,084</b>	<b>-</b>	<b>317,046</b>	<b>80,962</b>	<b>236,084</b>	<b>-</b>	<b>317,046</b>
Audit costs	-	-	-	-	-	-	-	-
<b>Contract total</b>	<b>\$ 80,962</b>	<b>\$ 236,084</b>	<b>\$ -</b>	<b>\$ 317,046</b>	<b>\$ 80,962</b>	<b>\$ 236,084</b>	<b>\$ -</b>	<b>\$ 317,046</b>

Note: Client Co-Pays totaling \$4,659 were utilized to pay rental payments.

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**RECONCILIATION SCHEDULE**  
**CONTRACT NO. 1320124**  
**YEAR ENDED JUNE 30, 2013**

	<u>Amount Per Audit Report</u>	<u>Amount Per June 30, 2013 Subrecipient Invoices</u>	<u>Differences</u>
<b>Contract amount</b>	\$ 369,553	\$ 369,553	\$ -
<b>Program cost</b>			
Current year	317,046	317,046	-
Cumulative	317,046	317,046	-
<b>Funds drawn down</b>			
Current year	317,046	317,046	-
Cumulative	<u>317,046</u>	<u>317,046</u>	<u>-</u>
<b>Balance of advance</b>	<u>\$ 52,507</u>	<u>\$ 52,507</u>	<u>\$ -</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF SOURCE AND STATUS OF FUNDS**  
**CONTRACT NO. 1320081**  
**YEAR ENDED JUNE 30, 2013**

	<u>HOPWA Funds</u>	<u>Program Income</u>	<u>Other City Funds</u>	<u>Total</u>
<b>Total contract:</b>	<u>\$ 90,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,815</u>
<b>Less:</b>				
Funds drawn down - prior fiscal year	-	-	-	-
Funds drawn down - current year	<u>89,142</u>	<u>-</u>	<u>-</u>	<u>89,142</u>
Total funds drawn down	<u>89,142</u>	<u>-</u>	<u>-</u>	<u>89,142</u>
Funds still available for draw down	<u>\$ 1,673</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,673</u>
 <b>Total funds drawn down</b>	 <u>\$ 89,142</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 89,142</u>
<b>Add:</b>				
Program income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Total funds received</b>	 <u>89,142</u>	 <u>-</u>	 <u>-</u>	 <u>89,142</u>
<b>Less:</b>				
Program income expended	-	-	-	-
Funds applied - prior fiscal year	-	-	-	-
Funds applied - current fiscal year	<u>89,142</u>	<u>-</u>	<u>-</u>	<u>89,142</u>
<b>Total funds applied</b>	<u>89,142</u>	<u>-</u>	<u>-</u>	<u>89,142</u>
 <b>Total funds due from funding source</b>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>
 <b>Total funds available for disposition</b>	 <u>\$ 1,673</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,673</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM INCOME**  
**CONTRACT NO. 1320081**  
**YEAR ENDED JUNE 30, 2013**

	Sales Proceeds	Rents Collected	Total
Program Income (cumulative through June 30, 2012)	\$ -	\$ -	\$ -
Less Program Income Expended In Prior Fiscal Years	-	-	-
Beginning Balance, July 1, 2012	-	-	-
Add Program Income Received in Current Fiscal Year	-	-	-
Less Program Income Expended In Current Fiscal Year	-	-	-
Ending Balance, June 30, 2013	\$ -	\$ -	\$ -

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM EXPENDITURES**  
**CONTRACT NO 1320081**  
**YEAR ENDED JUNE 30, 2013**

Contract Categories	Project Budget				Accrued Expenditures Prior to July 1, 2012			
	HOPWA Funds	Program Income	Other City Funds	Total Funds	HOPWA Funds	Program Income	Other City Funds	Total Funds
Direct personnel	\$ 59,110	\$ -	\$ -	\$ 59,110	\$ -	\$ -	\$ -	\$ -
Direct fringe benefits	14,832	-	-	14,832	-	-	-	-
Occupancy	15,333	-	-	15,333	-	-	-	-
Consumable supplies	1,540	-	-	1,540	-	-	-	-
<b>Operating subtotal</b>	<b>90,815</b>	<b>-</b>	<b>-</b>	<b>90,815</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Audit costs	-	-	-	-	-	-	-	-
<b>Contract total</b>	<b>\$ 90,815</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 90,815</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
**SCHEDULE OF PROGRAM EXPENDITURES (CONTINUED)**  
**CONTRACT NO. 1320081**  
**YEAR ENDED JUNE 30, 2013**

Contract Categories	Accrued Expenditures July 1, 2012 to June 30, 2013				Accrued Expenditures Cumulative to June 30, 2013			
	HOPWA Funds	Program Income	Other City Funds	Total Funds	HOPWA Funds	Program Income	Other City Funds	Total Funds
Direct personnel	\$ 58,964	\$ -	\$ -	\$ 58,964	\$ 58,964	\$ -	\$ -	\$ 58,964
Direct fringe benefits	13,307	-	-	13,307	13,307	-	-	13,307
Occupancy	15,333	-	-	15,333	15,333	-	-	15,333
Consumable supplies	1,538	-	-	1,538	1,538	-	-	1,538
<b>Operating subtotal</b>	<b>89,142</b>	<b>-</b>	<b>-</b>	<b>89,142</b>	<b>89,142</b>	<b>-</b>	<b>-</b>	<b>89,142</b>
Audit costs	-	-	-	-	-	-	-	-
<b>Contract total</b>	<b>\$ 89,142</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,142</b>	<b>\$ 89,142</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,142</b>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT**  
 RECONCILIATION SCHEDULE  
 CONTRACT NO. 1320081  
 YEAR ENDED JUNE 30, 2013

	<u>Amount Per Audit Report</u>	<u>Amount Per June 30, 2013 Subrecipient Invoices</u>	<u>Differences</u>
<b>Contract amount</b>	\$ 90,815	\$ 90,815	\$ -
<b>Program cost</b>			
Current year	89,142	89,142	-
Cumulative	89,142	89,142	-
<b>Funds drawn down</b>			
Current year	89,142	89,142	-
Cumulative	<u>89,142</u>	<u>89,142</u>	<u>-</u>
<b>Balance of advance</b>	<u>\$ 1,673</u>	<u>\$ 1,673</u>	<u>\$ -</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES  
 CONTRACT NO. 13-20222  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Personnel Services</u></b>			
Salaries	\$ 771,352	\$ -	\$ 771,352
Fringe benefits	222,267	-	222,267
Staff travel	1,449	1,122	2,571
Training/conferences	887	689	1,576
Subtotal: Personnel services	<u>995,955</u>	<u>1,811</u>	<u>997,766</u>
<b><u>Operating Expenses</u></b>			
Rent/occupancy	-	-	-
Utilities	-	-	-
Communications/telephone	15,531	671	16,202
Insurance	7,437	-	7,437
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	18,685	(555)	18,130
Equipment leasing	6,640	(671)	5,969
Professional fees/services	-	-	-
Building maintenance costs	822	(822)	-
Taxes	-	-	-
Licenses	-	-	-
Subtotal: Operating expenses	<u>49,115</u>	<u>(1,377)</u>	<u>47,738</u>
<b><u>Fixed Assets</u></b>			
Furnishings	2,966	-	2,966
Repairs/replacements	10,783	-	10,783
Subtotal: Fixed assets	<u>13,749</u>	<u>-</u>	<u>13,749</u>
<b><u>Administrative Costs</u></b>			
Personnel	132,028	23	132,051
Benefits	-	-	-
Training/conferences	-	-	-
Subtotal: Administrative costs	<u>132,028</u>	<u>23</u>	<u>132,051</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES (CONTINUED)  
 CONTRACT NO. 13-20222  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Participants</u></b>			
Food	157	880	1,037
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	5,960	-	5,960
Transportation	34,950	(1,121)	33,829
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal: Participants	<u>41,067</u>	<u>(241)</u>	<u>40,826</u>
<b>OSH Contract budget/expenditures</b>	<u>1,231,914</u>	<u>216</u>	<u>1,232,130</u>
<b>Funding sources:</b>			
Client fees	-	2,350	2,350
City of Philadelphia, OSH	<u>1,228,583</u>	<u>-</u>	<u>1,228,583</u>
<b>Total funding</b>	<u>1,228,583</u>	<u>2,350</u>	<u>1,230,933</u>
<b>Excess of expenditures (over) under funding sources</b>	<u>\$ (3,331)</u>	<u>\$ 2,134</u>	<u>\$ (1,197)</u>

(A) Adjustments recorded after final invoice was submitted.

(B) Amount funded under contract in accordance with OSH guidelines.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES  
 CONTRACT NO. 13-20585  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Personnel Services</u></b>			
Salaries	\$ 36,274	\$ -	\$ 36,274
Fringe benefits	7,954	-	7,954
Staff travel	-	-	-
Training/conferences	-	-	-
Subtotal: Personnel services	<u>44,228</u>	<u>-</u>	<u>44,228</u>
<b><u>Operating Expenses</u></b>			
Rent/occupancy	-	-	-
Utilities	-	-	-
Communications/telephone	-	-	-
Insurance	145	-	145
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	1,999	-	1,999
Equipment leasing	-	-	-
Professional fees/services	127,208	15,207	142,415
Building maintenance costs	-	-	-
Taxes	-	-	-
Licenses	-	-	-
Subtotal. Operating expenses	<u>129,352</u>	<u>15,207</u>	<u>144,559</u>
<b><u>Fixed Assets</u></b>			
Furnishings	-	-	-
Repairs/replacements	-	-	-
Subtotal. Fixed assets	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Administrative Costs</u></b>			
Personnel	22,236	(15,207)	7,029
Benefits	-	-	-
Training/conferences	-	-	-
Subtotal: Administrative costs	<u>22,236</u>	<u>(15,207)</u>	<u>7,029</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES (CONTINUED)  
 CONTRACT NO. 13-20585  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Participants</u></b>			
Food	106	-	106
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	4,356	-	4,356
Transportation	7,261	-	7,261
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal: Participants	<u>11,723</u>	<u>-</u>	<u>11,723</u>
 <b>OSH Contract budget/expenditures</b>	 <u>207,539</u>	 <u>-</u>	 <u>207,539</u>
<b>Funding sources:</b>			
Client fees	-	-	-
City of Philadelphia, OSH	<u>207,540</u>	<u>-</u>	<u>207,540</u>
<b>Total funding</b>	<u>207,540</u>	<u>-</u>	<u>207,540</u>
<b>Excess of funding sources over expenditures</b>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>

(A) Adjustments recorded after final invoice was submitted.

(B) Amount funded under contract in accordance with OSH guidelines.



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
REVENUES TO AUDITED EXPENDITURES/REVENUES  
CONTRACT NO. 13-20033  
YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Personnel Services</u></b>			
Salaries	\$ 849,533	\$ -	\$ 849,533
Fringe benefits	250,367	-	250,367
Staff travel	447	1,570	2,017
Training/conferences	1,476	(291)	1,185
Subtotal: Personnel services	<u>1,101,823</u>	<u>1,279</u>	<u>1,103,102</u>
<b><u>Operating Expenses</u></b>			
Rent/occupancy	65,764	(805)	64,959
Utilities	-	-	-
Communications/telephone	17,424	2	17,426
Insurance	5,882	1,967	7,849
Audit services	-	-	-
Legal fees	-	-	-
Supplies (office/program)	31,987	1,332	33,319
Equipment leasing	3,817	-	3,817
Professional fees/services	-	-	-
Building maintenance costs	4,981	(2,809)	2,172
Taxes	-	-	-
Licenses	-	-	-
Subtotal: Operating expenses	<u>129,855</u>	<u>(313)</u>	<u>129,542</u>
<b><u>Fixed Assets</u></b>			
Furnishings	1,445	413	1,858
Repairs/replacements	6,908	(174)	6,734
Subtotal: Fixed assets	<u>8,353</u>	<u>239</u>	<u>8,592</u>
<b><u>Administrative Costs</u></b>			
Personnel	152,974	(222)	152,752
Benefits	-	-	-
Training/conferences	-	-	-
Subtotal: Administrative costs	<u>152,974</u>	<u>(222)</u>	<u>152,752</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
REVENUES TO AUDITED EXPENDITURES/REVENUES (CONTINUED)  
CONTRACT NO. 13-20033  
YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Participants</u></b>			
Food	12,822	(36)	12,786
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	-	-	-
Transportation	20,180	(1,257)	18,923
Medical supplies	-	-	-
Bright spaces costs	-	-	-
Subtotal: Participants	<u>33,002</u>	<u>(1,293)</u>	<u>31,709</u>
 <b>OSH Contract budget/expenditures</b>	 <u>1,426,007</u>	 <u>(310)</u>	 <u>1,425,697</u>
<b>Funding sources:</b>			
Client fees	-	11,093	11,093
City of Philadelphia, OSH	<u>1,414,361</u>	<u>-</u>	<u>1,414,361</u>
<b>Total funding</b>	<u>1,414,361</u>	<u>11,093</u>	<u>1,425,454</u>
<b>Excess of expenditures (over) under funding sources</b>	<u>\$ (11,646)</u>	<u>\$ 11,403</u>	<u>\$ (243)</u>

(A) Adjustments recorded after final invoice was submitted.

(B) Amount funded under contract in accordance with OSH guidelines.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES  
 CONTRACT NO. 13-20016  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Personnel Services</u></b>			
Salaries	\$ 120,270	\$ -	\$ 120,270
Fringe benefits	26,509	-	26,509
Staff travel	-	-	-
Training/conferences	-	-	-
Subtotal: Personnel services	<u>146,779</u>	<u>-</u>	<u>146,779</u>
<b><u>Operating Expenses</u></b>			
Rent/occupancy	-	-	-
Utilities	-	-	-
Communications/telephone	-	-	-
Insurance	-	-	-
Audit services	22,881	-	22,881
Legal fees	-	-	-
Supplies (office/program)	-	-	-
Equipment leasing	-	-	-
Professional fees/services	-	-	-
Building maintenance costs	-	-	-
Taxes	-	-	-
Licenses	-	-	-
Subtotal: Operating expenses	<u>22,881</u>	<u>-</u>	<u>22,881</u>
<b><u>Fixed Assets</u></b>			
Furnishings	-	-	-
Repairs/replacements	-	-	-
Subtotal: Fixed assets	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Administrative Costs</u></b>			
Personnel	22,068	-	22,068
Benefits	-	-	-
Training/conferences	-	-	-
Subtotal: Administrative costs	<u>22,068</u>	<u>-</u>	<u>22,068</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF SUPPORTIVE HOUSING**  
 RECONCILIATION OF AGENCY REPORTED EXPENDITURES/  
 REVENUES TO AUDITED EXPENDITURES/REVENUES (CONTINUED)  
 CONTRACT NO. 13-20016  
 YEAR ENDED JUNE 30, 2013

	Amount Reported on Fiscal Report	(A) Other Adjustments	(B) Amount Per Audit
<b><u>Participants</u></b>			
Food	-	-	-
Food service products	-	-	-
Personal hygiene	-	-	-
Bedding/linen	-	-	-
Purchased services	4,335	-	4,335
Participant moving	4,608	-	4,608
Bright spaces costs	-	-	-
Subtotal: Participants	<u>8,943</u>	<u>-</u>	<u>8,943</u>
 <b>OSH Contract budget/expenditures</b>	 <u>200,671</u>	 <u>-</u>	 <u>200,671</u>
 <b>Funding sources:</b>			
Client fees	-	-	-
City of Philadelphia, OSH	<u>198,263</u>	<u>-</u>	<u>198,263</u>
<b>Total funding</b>	<u>198,263</u>	<u>-</u>	<u>198,263</u>
<b>Excess of expenditures over funding sources</b>	<u>\$ (2,408)</u>	<u>\$ -</u>	<u>\$ (2,408)</u>

(A) Adjustments recorded after final invoice was submitted

(B) Amount funded under contract in accordance with OSH guidelines.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA OFFICE OF ADDICTION SERVICES**  
 SCHEDULE OF FUNCTIONAL EXPENDITURES  
 BY CONTRACT/PROGRAM AND REVENUES BY FUNDING SOURCE  
 CONTRACT NO. 13-20108  
 YEAR ENDED JUNE 30, 2013

	<u>Endow-a-Home Outpatient Services</u>
<b>Expenditures by cost center:</b>	
Personnel services	\$ 161,631
Operating expenses	43,735
Fixed assets	<u>-</u>
<b>Total expenditures by cost center</b>	<u>205,366</u>
 <b>Funding sources:</b>	
Client fees	-
City of Philadelphia:	
Office of Addiction Services	64,560
Office of Addiction Services - FY2010 Reconciliation	60,200
Other	<u>84,145</u>
<b>Total funding sources</b>	<u>208,905</u>
 <b>Excess of funding sources over expenditures</b>	 <u><u>\$ 3,539</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA AIDS ACTIVITIES COORDINATING OFFICE**  
**SCHEDULE OF EXPENDITURES AND REVENUES**  
**YEAR ENDED JUNE 30, 2013**

<b>Provider Name:</b>	Resources for Human Development, Inc.
<b>Funding Source:</b>	D/B/A Family Practice and Counseling Network
<b>Award Number:</b>	AACO
<b>Award Amount:</b>	CPA2035
<b>Contract Number:</b>	\$67,500
<b>Activity Description:</b>	1220455
<b>Effective Dates (Contract Term):</b>	Clinical HIV Testing
	12/30/2011 - 12/29/2012
<b>Personnel expenditures:</b>	
Personnel services	\$ 28,748
Fringe benefits	<u>5,002</u>
<b>Total personnel expenditures</b>	<u>33,750</u>
<b>Operating expenditures:</b>	
Travel	-
Equipment	-
Supplies	-
Sub-Contract	-
Rent	-
Utilities	-
Communication	-
Leased equipment	-
Insurance	-
Printing	-
Repairs/maintenance	-
Other	-
<b>Subtotal operating expenditures</b>	<u>-</u>
<b>Total direct (Personnel + Operating) expenditures</b>	33,750
<b>Indirect expenditures</b>	<u>-</u>
<b>Total budget expenditures</b>	33,750
<b>Program revenues</b>	<u>-</u>
<b>Net AACO funded expenditures</b>	<u><u>\$ 33,750</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA AIDS ACTIVITIES COORDINATING OFFICE**  
 SCHEDULE OF EXPENDITURES AND REVENUES  
 YEAR ENDED JUNE 30, 2013

<b>Provider Name:</b>	Resources for Human Development, Inc.
<b>Funding Source:</b>	D/B/A Family Practice and Counseling Network
<b>Award Number:</b>	AACO
<b>Award Amount:</b>	CPA3035
<b>Contract Number:</b>	\$67,500
<b>Activity Description:</b>	122045-01
<b>Effective Dates (Contract Term):</b>	Clinical HIV Testing
	01/01/2013 - 12/31/2013

<b>Personnel expenditures:</b>	
Personnel services	\$28,748
Fringe benefits	<u>5,002</u>
<b>Total personnel expenditures</b>	<u>33,750</u>
<b>Operating expenditures:</b>	
Travel	-
Equipment	-
Supplies	-
Sub-Contract	-
Rent	-
Utilities	-
Communication	-
Leased equipment	-
Insurance	-
Printing	-
Repairs/maintenance	-
Other	-
<b>Subtotal operating expenditures</b>	<u>-</u>
<b>Total direct (Personnel + Operating) expenditures</b>	33,750
<b>Indirect expenditures</b>	<u>-</u>
<b>Total budget expenditures</b>	33,750
<b>Program revenues</b>	<u>-</u>
<b>Net AACO funded expenditures</b>	<u><u>\$33,750</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CITY OF PHILADELPHIA AIDS ACTIVITIES COORDINATING OFFICE**  
**SCHEDULE OF EXPENDITURES AND REVENUES**  
**YEAR ENDED JUNE 30, 2013**

<b>Provider Name:</b>	Resources for Human Development, Inc.
<b>Funding Source:</b>	D/B/A Family Practice and Counseling Network
<b>Award Number:</b>	AACO
<b>Award Amount:</b>	R3411
<b>Contract Number:</b>	\$53,350
<b>Activity Description:</b>	1320730
<b>Effective Dates (Contract Term):</b>	Outpatient/Ambulatory Care
	03/01/2013 - 02/28/2014
<b>Personnel expenditures:</b>	
Personnel services	\$ 10,764
Fringe benefits	2,583
<b>Total personnel expenditures</b>	<u>13,347</u>
<b>Operating expenditures:</b>	
Travel	-
Equipment	-
Supplies	-
Sub-Contract	-
Rent	-
Utilities	-
Communication	-
Leased equipment	-
Insurance	-
Printing	-
Repairs/maintenance	-
Other	567
<b>Subtotal operating expenditures</b>	<u>567</u>
<b>Total direct (Personnel + Operating) expenditures</b>	13,914
<b>Indirect expenditures</b>	<u>-</u>
<b>Total budget expenditures</b>	13,914
<b>Program revenues</b>	<u>-</u>
<b>Net AACO funded expenditures</b>	<u><u>\$ 13,914</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**PENNSYLVANIA INTELLECTUAL DEVELOPMENTAL DISABILITIES SERVICES**  
**SCHEDULE OF REVENUE AND EXPENSES - TOTAL PROVIDER**  
**YEAR ENDED JUNE 30, 2013**

**Revenue:**

Commonwealth of Pennsylvania:	
Waiver revenue for waiver eligible services	\$ 43,965,213
Waiver revenue for waiver ineligible services	2,960,939
Waiver revenue for fee schedule and outcome-based services	2,147,766
Other revenue	-
County	-
Private clients	-
Participant contribution to residential occupancy	1,421,677
Other	47,761
Contributions	19,135
	<u>50,562,491</u>
<b>Total Revenue</b>	<u><b>50,562,491</b></u>

**Expenses:**

Program direct care staff salary/wages	19,270,242
Program direct care staff ERE	5,238,103
Other program staff salary/wages	5,282,846
Other program staff ERE	1,276,018
Contracted staff	811,180
Administrative staff salary/wages	3,400,849
Administrative staff ERE	661,012
Program supplies	408,673
Other vehicle expense	-
Other program expense	4,019,101
Transportation - participant motor vehicle	96,287
Transportation - participant	1,644,973
Other occupancy expense	459,017
Depreciation - buildings	5,565
Depreciation - fixed assets/equipment	-
Residential occupancy	-
	<u>42,573,866</u>
<b>Total Expenses</b>	<u><b>42,573,866</b></u>

<b>Subtotal</b>	<u><b>7,988,625</b></u>
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Less: Waiver revenue for waiver ineligible services	(2,960,939)
Less: Waiver revenue for fee schedule and outcome-based services	(2,147,766)
Less: Participant contribution to residential occupancy	<u>(1,421,677)</u>

<b>Waiver eligible revenue over expenses</b>	<u><u><b>\$ 1,458,243</b></u></u>
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*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND INTELLECTUAL DEVELOPMENTAL DISABILITIES**  
**SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH**  
**YEAR ENDED JUNE 30, 2013**

	Residential Crisis	Telephone Crisis	Mobile Crisis	Forensic Transition	POWER	Crossroads Community Services	HUD Supportive Housing	Crossroads Flexible Housing
<b>Revenue:</b>								
Fee for service - State match, non FFP, and Behavioral Health	\$ 312,583	\$ 19,659	\$ 208,081	\$ -	\$ 73,361	\$ 20,285	\$ 32,477	\$ -
Fee for service - CCBH	454,182	18,020	191,576	5,097	483,729	490,360	-	454,133
Fee for service - Magellan	-	-	-	-	1,170	-	-	-
Food pantry grant	4,440	-	-	-	-	-	-	-
Federal FFP	5,601	401	5,532	-	-	419	-	-
HUD funds	-	-	-	-	-	-	165,248	-
Program funding	-	210,663	-	42,463	-	-	19,870	-
Other income (donation/vehicle sale/client rents)	6,656	10	10	-	-	42,099	250	-
In kind income	-	-	-	9,902	-	-	-	-
Prior year adjustments	1,424	(346)	294	-	965	(570)	-	-
<b>Total Revenue</b>	<b>784,886</b>	<b>248,407</b>	<b>405,493</b>	<b>57,462</b>	<b>559,225</b>	<b>552,593</b>	<b>217,845</b>	<b>454,133</b>
<b>Expenses:</b>								
Salaries and wages	427,651	267,578	163,092	1,099	306,526	277,529	108,290	26,969
Taxes and benefits	101,314	68,854	40,686	143	80,312	75,333	30,982	4,827
Staff development	1,752	823	334	725	3,374	3,653	-	-
Purchased personnel and services	4	2	2	-	1,598	1,625	-	2,554
Rent	2,110	759	670	-	22,741	47,711	7,444	35,642
Utilities	10,055	3,179	3,173	-	6,247	4,039	3,635	11,410
Insurance-building and contents	695	9	8	-	255	546	-	-
Insurance-service	4,156	2,055	1,824	-	3,088	4,099	3,059	2,602
Housekeeping/moving costs	7,548	1,183	1,177	-	4,126	3,536	11,535	1,099
Communications	10,827	6,865	3,405	-	14,457	13,250	8,654	91
Office/computer supplies	3,174	1,989	514	77	6,572	683	367	-
Medical supplies/medications	1,027	6	(4)	-	38	(326)	147	-
Food	15,181	6	-	-	571	542	400	-
Rehabilitation supplies	1,887	117	115	-	5,752	701	1,704	333,933
Household goods	4,945	2,033	790	-	293	86	7,567	17,422
Staff travel	3,049	952	1,042	337	8,448	3,833	-	-

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND INTELLECTUAL DEVELOPMENTAL DISABILITIES**  
**SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)**  
**YEAR ENDED JUNE 30, 2013**

	Residential Crisis	Telephone Crisis	Mobile Crisis	Forensic Transition	POWER	Crossroads Community Services	HUD Supportive Housing	Crossroads Flexible Housing
<b>Expenses (continued):</b>								
Purchased physician/therapists	52,500	7,500	15,000	40,100	-	-	-	-
Client transportation	115	-	-	-	136	4,728	2,911	50
Library	-	-	-	-	-	-	-	-
Miscellaneous operating	680	293	140	-	255	2,623	1,639	3,124
Equipment and furnishings-small	3,446	357	307	-	4,906	10,068	94	1,000
Building repair and maintenance	-	-	-	-	2,701	6,007	725	-
Equipment repair and maintenance	4,265	2,171	2,039	-	164	2,059	1,373	-
In kind salaries	-	-	-	9,902	-	-	-	-
Motor vehicle lease/purchase	871	-	3,283	-	3,260	-	5,451	262
Motor vehicle expense	5,020	566	14,271	-	12,957	3,345	18,087	2,167
Motor vehicle insurance	2,417	8	3,946	-	4,202	1,656	5,764	-
<b>Total direct expenses</b>	<b>664,689</b>	<b>367,305</b>	<b>255,814</b>	<b>52,383</b>	<b>492,979</b>	<b>467,326</b>	<b>219,828</b>	<b>443,152</b>
Administrative overhead	79,763	44,076	30,698	5,098	66,553	81,136	-	10,981
<b>Total expenses</b>	<b>744,452</b>	<b>411,381</b>	<b>286,512</b>	<b>57,481</b>	<b>559,532</b>	<b>548,462</b>	<b>219,828</b>	<b>454,133</b>
<b>Support and revenue over/(under) expenses</b>	<b>\$ 40,434</b>	<b>\$ (162,974)</b>	<b>\$ 118,981</b>	<b>\$ (19)</b>	<b>\$ (307)</b>	<b>\$ 4,131</b>	<b>\$ (1,983)</b>	<b>\$ -</b>
<b>Request for retained revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>UOS provided</b>	<b>6,516</b>	<b>3,802</b>	<b>11,821</b>	<b>N/A</b>	<b>71,371</b>	<b>30,977</b>	<b>N/A</b>	<b>N/A</b>
<b>Net Unit Rate</b>	<b>\$118.53</b>	<b>\$65.42</b>	<b>\$34.28</b>	<b>N/A</b>	<b>\$7.81</b>	<b>\$16.48</b>	<b>N/A</b>	<b>N/A</b>
<b>Gross Unit Rate</b>	<b>\$114.25</b>	<b>\$108.20</b>	<b>\$24.24</b>	<b>N/A</b>	<b>\$7.84</b>	<b>\$17.71</b>	<b>N/A</b>	<b>N/A</b>

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CARBON-MONROE-PIKE COUNTY DEPARTMENT OF MENTAL HEALTH AND INTELLECTUAL DEVELOPMENTAL DISABILITIES**  
**SCHEDULE OF UNITS OF SERVICE (UOS) - MENTAL HEALTH**  
**PROVIDER NO. RES 110**  
**YEAR ENDED JUNE 30, 2013**

Type of Service			MA UOS	FFP \$	MA Match \$	Total \$	Non-MA UOS	Non-MA \$	Total UOS	Total \$
Residential Crisis Established rate:	\$118.54	(1)	122	<u>\$ 8,765</u>	<u>\$ 5,601</u>	<u>\$ 14,366</u>	2,563	<u>\$ 303,818</u>	2,685	<u>\$ 318,184</u>
Telephone Crisis Established rate:	\$10.03	(1)	73	<u>\$ 331</u>	<u>\$ 401</u>	<u>\$ 732</u>	1,927	<u>\$ 19,328</u>	2,000	<u>\$ 20,060</u>
Team Mobile Crisis Established rate	\$30.01	(1)	157	<u>\$ 2,144</u>	<u>\$ 2,568</u>	<u>\$ 4,712</u>	3,099	<u>\$ 93,001</u>	3,256	<u>\$ 97,713</u>
Individual Mobile Crisis Established rate:	\$20.00	(1)	31	<u>\$ 281</u>	<u>\$ 339</u>	<u>\$ 620</u>	1,885	<u>\$ 37,700</u>	1,916	<u>\$ 38,320</u>
Medical Mobile Crisis Established rate	\$53.95	(1)	89	<u>\$ 2,176</u>	<u>\$ 2,625</u>	<u>\$ 4,801</u>	1,349	<u>\$ 72,779</u>	1,438	<u>\$ 77,580</u>
Intensive Case Management Established rate.	\$12.45	(1)	62	<u>\$ 419</u>	<u>\$ 353</u>	<u>\$ 772</u>		\$ 21,489		\$ 22,261
Reduce by client liabilities								(1,557)		(1,557)
							1,726	<u>\$ 19,932</u>	1,788	<u>\$ 20,704</u>
POWER										
Psych Rehab On-Site Established rate.	\$4.50	(1)	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	7,490	<u>\$ 32,383</u>	7,490	<u>\$ 32,383</u>
Psych Rehab Mobile Established rate:	\$15.00	(1)	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	3,360	<u>\$ 40,978</u>	3,360	<u>\$ 40,978</u>
GROWTH										
Established rate:	\$138.03	(1)	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-	<u>\$ -</u>

(1) Established rate set by the State.

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**CHESTER COUNTY DEPARTMENT OF MENTAL HEALTH/**  
**INTELLECTUAL DEVELOPMENTAL DISABILITIES**  
 SCHEDULE OF REVENUE AND EXPENSES  
 YEAR ENDED JUNE 30, 2013

<b>Revenue</b>	
Program funded	\$ 30,412
Fee for service	236,687
Room and board	<u>5,173</u>
<b>Total revenue</b>	<u>272,272</u>
<b>Expenses</b>	
Wages and salaries	103,973
Employee benefits	21,935
Purchased treatment services	4,286
Miscellaneous personnel	388
Other operating	22,030
Communications	2,522
Supportive services	8,397
Transportation	1,921
Purchase of fixed assets	16,152
Repairs and maintenance	<u>5,228</u>
<b>Total direct expenses</b>	186,832
<b>Administrative overhead</b>	<u>28,016</u>
<b>Total expenses</b>	<u>214,848</u>
<b>Retained earnings/allowable surplus*</b>	<u>7,528</u>
<b>Total reimbursable expenditures</b>	<u>222,376</u>
<b>Surplus/(deficit) of contract amount over total reimbursable expenditures</b>	<u><u>\$ 49,896</u></u>

\* Estimated allowable retained earnings equivalent to 3% of Fee for service portion of Contract 13-14584.

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**DELAWARE COUNTY DEPARTMENT OF HUMAN SERVICES**  
**SCHEDULE OF REVENUE AND EXPENSES - BEHAVIORAL HEALTH**  
**YEAR ENDED JUNE 30, 2013**

	<u>Compeer</u>
<b>Revenue</b>	
Program funded	\$ 59,430
Donation	<u>6,785</u>
<b>Total revenue</b>	<u>66,215</u>
<b>Expenses</b>	
Salaries	29,877
Taxes/benefits	9,605
Rent, utilities and housekeeping	8,216
Insurance	336
Communications	4,180
Office and program supplies	5,164
Staff travel	<u>706</u>
<b>Total direct expenses</b>	58,084
<b>Administrative overhead</b>	<u>8,131</u>
<b>Total expenses</b>	<u>66,215</u>
<b>Excess revenue over expenses</b>	<u><u>\$ -</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**LEHIGH COUNTY**  
**SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH**  
**YEAR ENDED JUNE 30, 2013**

	Hope Springs Friedens Rd.	LVACT	LVACT ICM & Assessments	Lehigh Valley Medical Mobile
<b>Revenue:</b>				
Fee for service - Lehigh	\$ -	\$ 203,230	\$ 58,901	\$ 129,535
Fee for service - Northampton	-	-	-	1,782
Retained revenue - Lehigh	-	-	-	-
Recruitment and retention	-	-	-	-
Room, board	39,066	-	-	-
Magellan FFS	-	-	-	132,440
Program funding	493,265	-	-	82,556
Other income: donation/vehicle sale	8,196	-	-	-
Current and prior-year write-offs	-	-	-	(1,788)
<b>Total revenue</b>	<b>540,527</b>	<b>203,230</b>	<b>58,901</b>	<b>344,525</b>
<b>Expenses:</b>				
Salaries and wages	288,142	93,906	35,397	119,965
Payroll taxes	21,977	7,061	2,633	9,156
Other benefits	52,570	15,275	6,082	16,153
Staff development	1,121	135	32	-
Purchased personnel and services	742	877	353	1,320
Rent	11,678	6,811	979	3,300
Utilities	6,124	383	66	229
Insurance, contents	217	9	2	-
Insurance, service	2,906	1,210	374	1,962
Housekeeping	6,457	990	89	33
Communications	5,609	4,207	1,046	2,660
Office computer and copier supplies	1,000	1,411	257	-
Computer services	22	9	3	-
Copy machine lease	593	252	333	-
Medical supplies	2,166	175	20	455
Medications	8	938	-	696
Clothing	8	-	-	-
Food	15,101	8	-	-
Rehabilitation supplies	3,679	168	30	-
Recreation	829	-	-	-
Special projects	4	145	11	-
Household goods	3,930	42	5	-
Staff travel	1,788	7,971	4,307	-
Library	71	31	-	-
Miscellaneous operating	534	761	173	88
Purchased physician	3,790	31,245	-	155,400
Equipment and furnishings, large	6,484	675	-	-
Equipment and furnishings, small	918	2,734	201	195
Building repair and maintenance	6,755	3,080	23	-
Equipment repair and maintenance contracts	563	554	104	100
Motor vehicle lease and purchase	21,942	380	-	-
Motor vehicle expense	4,923	1,113	292	1,838

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**LEHIGH COUNTY**  
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)  
YEAR ENDED JUNE 30, 2013

	Hope Springs Friedens Rd.	LVACT	LVACT ICM & Assessments	Lehigh Valley Medical Mobile
<b>Expenses (continued):</b>				
Motor vehicle repairs and supplies	2,038	403	96	298
Motor vehicle insurance	1,851	536	52	1,684
<b>Total direct expenses</b>	<u>476,540</u>	<u>183,495</u>	<u>52,960</u>	<u>315,532</u>
<b>Administrative overhead</b>	<u>64,333</u>	<u>27,524</u>	<u>7,944</u>	<u>31,553</u>
<b>Total expenses</b>	<u>540,873</u>	<u>211,019</u>	<u>60,904</u>	<u>347,085</u>
<b>Expenses over support and revenue</b>	<u>\$ (346)</u>	<u>\$ (7,789)</u>	<u>\$ (2,003)</u>	<u>\$ (2,560)</u>
<b>Request for retained revenue</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
**SCHEDULE OF REVENUE AND EXPENSES - BEHAVIORAL HEALTH**  
**YEAR ENDED JUNE 30, 2013**

	LMCS - BH Outpatient	LMCS - Student Assistance	LMCS - Recovery Support Team	LMCS - Admin Case Mngnt.	Consultants in Context	Consultants In Context Training	Renaissance	CHOC	CHOC D&A Outreach
<b>Revenue:</b>									
Program funded	\$ 267,712	\$ 17,600	\$ -	\$ 54,421	\$ 382,179	\$ 124,292	\$ -	\$970,988	\$ 102,983
Fee-for-service	8,742	-	16,632	-	-	-	652,270	-	-
Magellan Behavioral	205,670	-	433,648	-	-	-	-	-	-
Private Insurance	188,352	-	-	-	-	-	-	-	-
Program and client fees	47,702	-	-	-	-	-	104,664	-	-
Grants and donations	4,037	-	-	-	500	-	335	145	-
Miscellaneous income	8	-	-	-	1,127	-	(2)	-	-
Other general	2,406	-	-	-	-	-	-	-	-
Prior year revenue	-	-	-	-	-	-	-	-	-
Prior year write-off	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>724,629</b>	<b>17,600</b>	<b>450,280</b>	<b>54,421</b>	<b>383,806</b>	<b>124,292</b>	<b>757,267</b>	<b>971,133</b>	<b>102,983</b>
<b>Expenses:</b>									
Salaries	354,253	5,514	241,849	39,621	244,736	61,860	338,235	557,073	53,925
Taxes and benefits	76,310	1,487	48,071	9,739	45,299	10,288	85,126	155,466	19,386
Purchased personnel	472,371	-	1,183	-	6,929	26,170	1,510	3,779	-
Rent, utilities and housekeeping	143,360	8,740	20,099	-	17,399	2,394	160,856	41,562	286
Insurance	6,650	127	2,858	-	2,113	926	5,936	6,308	-
Communications	17,481	-	25,868	-	3,571	145	8,078	10,600	3,555
Office and program supplies	32,738	-	7,270	35	6,179	4,819	15,528	30,346	7,161
Food	50	-	882	-	535	839	30,398	952	852
Staff travel	1,982	-	1,470	-	10,053	905	1,381	604	-
Purchased equipment	11,296	-	4,938	-	-	682	7,634	9,231	737
Property and building maintenance	4,757	-	716	-	-	-	38,422	15,161	-
Transportation, vehicle	-	-	10,208	-	-	-	1,713	20,789	4,484
<b>Total direct expenses</b>	<b>1,121,248</b>	<b>15,868</b>	<b>365,412</b>	<b>49,395</b>	<b>336,814</b>	<b>109,028</b>	<b>694,817</b>	<b>851,871</b>	<b>90,386</b>
<b>Administrative overhead</b>	<b>156,686</b>	<b>2,221</b>	<b>51,158</b>	<b>6,915</b>	<b>47,154</b>	<b>15,264</b>	<b>97,274</b>	<b>119,262</b>	<b>12,654</b>
<b>Total expenses</b>	<b>1,277,934</b>	<b>18,089</b>	<b>416,570</b>	<b>56,310</b>	<b>383,968</b>	<b>124,292</b>	<b>792,091</b>	<b>971,133</b>	<b>103,040</b>
<b>Support and revenue (under)/ over expenses</b>	<b><u>\$ (553,305)</u></b>	<b><u>\$ (489)</u></b>	<b><u>\$ 33,710</u></b>	<b><u>\$ (1,889)</u></b>	<b><u>\$ (162)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (34,824)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (57)</u></b>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
**SCHEDULE OF REVENUE AND EXPENSES - BEHAVIORAL HEALTH (CONTINUED)**  
**YEAR ENDED JUNE 30, 2013**

	CTI-Critical Time Intervention	New Foundations	Wellspring	New Options	Positive Resolutions	Compeer	Nova II Expansion	Nova III Expansion	Total
<b>Revenue:</b>									
Program funded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$63,289	\$ -	\$ 1,983,464
Fee-for-service	30,000	800,051	318,154	1,066,672	1,678,428	-	-	43,248	4,614,197
Magellan Behavioral	345,532	130,166	-	-	-	-	-	-	1,115,016
Private insurance	-	-	-	-	-	-	-	-	188,352
Program and client fees	-	67,956	98,891	139,399	134,419	-	6,086	1,799	600,916
Grants and donations	-	2,815	2,125	200	8,491	-	-	-	18,648
Miscellaneous income	-	6,088	2,335	500	-	-	-	269	10,325
Other general	110	-	-	-	-	-	-	-	2,516
Prior year revenue	-	-	-	-	-	-	-	-	-
Prior year write off	(814)	-	-	-	-	-	-	-	(814)
<b>Total revenue</b>	<b>374,828</b>	<b>1,007,076</b>	<b>421,505</b>	<b>1,206,771</b>	<b>1,821,338</b>	<b>-</b>	<b>69,375</b>	<b>45,316</b>	<b>8,532,620</b>
<b>Expenses:</b>									
Salaries	197,072	544,556	116,800	553,298	855,548	3,157	30,222	26,604	4,224,323
Taxes and benefits	55,451	144,414	33,513	154,151	233,411	244	9,434	6,738	1,088,528
Purchased personnel	1,378	10,177	600	22,889	24,199	-	1,419	909	573,513
Rent, utilities and housekeeping	16,845	88,108	148,825	142,025	225,713	-	10,607	4,822	1,031,641
Insurance	2,086	5,203	5,700	6,829	10,078	-	641	153	55,608
Communications	11,498	17,346	226	20,454	29,089	-	308	203	148,422
Office and program supplies	8,274	18,491	1,336	20,816	44,330	-	1,647	1,702	200,672
Food	645	23,158	8	43,592	65,408	-	2,882	1,169	171,370
Staff travel	5,188	2,778	-	2,714	8,136	-	-	26	35,237
Purchased equipment	1,016	10,436	-	2,493	22,780	-	12	90	71,345
Property and building maintenance	635	20,124	8,827	25,533	12,851	-	1,448	179	128,653
Transportation, vehicle	12,087	20,304	337	21,482	32,039	-	2,237	526	126,206
<b>Total direct expenses</b>	<b>312,175</b>	<b>905,095</b>	<b>316,172</b>	<b>1,016,276</b>	<b>1,563,582</b>	<b>3,401</b>	<b>60,857</b>	<b>43,121</b>	<b>7,855,518</b>
<b>Administrative overhead</b>	<b>43,704</b>	<b>126,715</b>	<b>44,264</b>	<b>142,279</b>	<b>218,901</b>	<b>476</b>	<b>8,519</b>	<b>6,468</b>	<b>1,099,915</b>
<b>Total expenses</b>	<b>355,879</b>	<b>1,031,810</b>	<b>360,436</b>	<b>1,158,555</b>	<b>1,782,483</b>	<b>3,877</b>	<b>69,376</b>	<b>49,589</b>	<b>8,955,433</b>
<b>Support and revenue over/ (under) expenses</b>	<b>\$ 18,949</b>	<b>\$ (24,734)</b>	<b>\$ 61,069</b>	<b>\$ 48,216</b>	<b>\$ 38,855</b>	<b>\$(3,877)</b>	<b>\$ (1)</b>	<b>\$(4,273)</b>	<b>\$ (422,813)</b>

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
SCHEDULE OF REVENUE AND EXPENSES -  
INTELLECTUAL DEVELOPMENTAL DISABILITIES  
YEAR ENDED JUNE 30, 2013

	<u>RSS</u>	<u>LMVTC</u>	<u>Total</u>
<b>Revenue:</b>			
Program funded	\$ 11,118	\$ 14,933	\$ 26,051
Fee-for-service	264,356	34,451	298,807
Program and client fees	18,274	4,634	22,908
Miscellaneous	8,989	11,833	20,822
<b>Total revenue</b>	<u>302,737</u>	<u>65,851</u>	<u>368,588</u>
<b>Expenses:</b>			
Salaries	115,767	25,515	141,282
Taxes and benefits	30,280	7,673	37,953
Purchased personnel	8,196	571	8,767
Rent, utilities and housekeeping	37,459	11,729	49,188
Insurance	1,953	694	2,647
Communications	467	1,096	1,563
Office and program supplies	2,526	1,740	4,266
Food	7,547	250	7,797
Staff travel	205	265	470
Purchased equipment	897	536	1,433
Property and building maintenance	6,391	5,361	11,752
Transportation, vehicle	26,908	1,982	28,890
<b>Total direct expenses</b>	<u>238,596</u>	<u>57,412</u>	<u>296,008</u>
<b>Administrative overhead</b>	<u>35,281</u>	<u>7,306</u>	<u>42,587</u>
<b>Total expenses</b>	<u>273,877</u>	<u>64,718</u>	<u>338,595</u>
<b>Revenue over expenses</b>	<u>\$ 28,860</u>	<u>\$ 1,133</u>	<u>\$ 29,993</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
**SCHEDULE OF REVENUE AND EXPENSES - DRUG AND ALCOHOL**  
**YEAR ENDED JUNE 30, 2013**

	MC Methadone Center	Womanspace	Family House	Total
<b>Revenue:</b>				
Fee-for-service	\$ 503,301	\$ 4,828	\$ 36,850	\$ 544,979
Medical assistance	9,483	112,942	378,300	500,725
Other county/state	-	2,097	17,069	19,166
Magellan Behavioral	742,230	317,533	362,650	1,422,413
Private insurance	51,775	14,375	14,790	80,940
Program and client fees	145,463	9,505	21,532	176,500
Miscellaneous	2,150	495	2,092	4,737
<b>Total revenue</b>	<u>1,454,402</u>	<u>461,775</u>	<u>833,283</u>	<u>2,749,460</u>
<b>Expenses:</b>				
Salaries	716,545	220,462	426,133	1,363,140
Taxes and benefits	165,185	59,919	107,714	332,818
Purchased personnel	92,159	630	39,291	132,080
Rent, utilities and housekeeping	95,292	50,829	36,681	182,802
Insurance	9,001	2,800	5,183	16,984
Communications	13,483	5,188	11,714	30,385
Office and program supplies	75,486	8,901	21,733	106,120
Food	186	17,050	34,464	51,700
Staff travel	1,345	1,646	3,944	6,935
Purchased equipment	9,964	499	7,353	17,816
Property and building maintenance	17,374	17,152	51,084	85,610
Transportation, vehicle	232	3,178	6,632	10,042
<b>Total direct expenses</b>	<u>1,196,252</u>	<u>388,254</u>	<u>751,926</u>	<u>2,336,432</u>
<b>Administrative overhead</b>	<u>167,475</u>	<u>54,356</u>	<u>105,269</u>	<u>327,100</u>
<b>Total expenses</b>	<u>1,363,727</u>	<u>442,610</u>	<u>857,195</u>	<u>2,663,532</u>
<b>Revenue over/(under) expenses</b>	<u>\$ 90,675</u>	<u>\$ 19,165</u>	<u>\$ (23,912)</u>	<u>\$ 85,928</u>

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**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
**SCHEDULE OF REVENUE AND EXPENSES - ADULT PROBATION/PAROLE DEPARTMENT AND MCCF**  
**YEAR ENDED JUNE 30, 2013**

	Rise Above Probation	Rise Above MCCF	PA STS SMART	Total
<b>Revenue:</b>				
Program funded	\$ 296,328	\$ 32,000	\$ -	\$ 328,328
Fee-for-service	15,590	-	19,900	35,490
Fee-for-service - Drug Court	95,850	-	-	95,850
Magellan Behavioral	38,505	-	-	38,505
Program and client fees	349,632	2,140	190,663	542,435
<b>Total revenue</b>	<u>795,905</u>	<u>34,140</u>	<u>210,563</u>	<u>1,040,608</u>
<b>Expenses:</b>				
Salaries	439,453	10,851	132,266	582,570
Taxes and benefits	85,265	2,551	26,646	114,462
Purchased personnel	191,794	11,388	6,076	209,258
Rent, utilities and housekeeping	59,711	3,600	29,617	92,928
Insurance	6,478	-	1,364	7,842
Communications	19,430	-	6,328	25,758
Office and program supplies	28,562	-	8,673	37,235
Food	615	-	131	746
Staff travel	3,245	-	2,280	5,525
Purchased equipment	2,336	-	546	2,882
Property and building maintenance	119	-	57	176
<b>Total direct expenses</b>	<u>837,008</u>	<u>28,390</u>	<u>213,984</u>	<u>1,079,382</u>
<b>Administrative overhead</b>	<u>125,551</u>	<u>4,258</u>	<u>32,098</u>	<u>161,907</u>
<b>Total expenses</b>	<u>962,559</u>	<u>32,648</u>	<u>246,082</u>	<u>1,241,289</u>
<b>Revenue (under)/over expenses</b>	<u><u>\$ (166,654)</u></u>	<u><u>\$ 1,492</u></u>	<u><u>\$ (35,519)</u></u>	<u><u>\$ (200,681)</u></u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
 SCHEDULE OF REVENUE AND EXPENSES -  
 HEALTH CHOICES REINVESTMENT  
 YEAR ENDED JUNE 30, 2013

	<u>Homeless Outreach</u>
<b>Revenue:</b>	
Program funded	<u>\$ 14,656</u>
<b>Total revenue</b>	<u>14,656</u>
<b>Expenses:</b>	
Salaries	10,092
Taxes and benefits	2,118
Office and program supplies	646
<b>Total direct expenses</b>	<u>12,856</u>
<b>Administrative overhead</b>	<u>1,800</u>
<b>Total expenses</b>	<u>14,656</u>
<b>Revenue over expenses</b>	<u>\$ -</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
**SCHEDULE OF REVENUE AND EXPENSES - OTHER**  
**YEAR ENDED JUNE 30, 2013**

	ESG 2011	CDBG 2012	United Way 2012	Total
<b>Revenue:</b>				
Program funded	\$ 24,137	\$ 54,940	\$ 56,814	\$ 135,891
<b>Total revenue</b>	<u>24,137</u>	<u>54,940</u>	<u>56,814</u>	<u>135,891</u>
<b>Expenses:</b>				
Salaries	-	-	21,183	21,183
Taxes and benefits	-	-	2,976	2,976
Other operating	24,137	54,954	15,543	94,634
Purchase of fixed assets	-	-	650	650
Maintenance and repairs	-	-	16,462	16,462
<b>Total direct expenses</b>	<u>24,137</u>	<u>54,954</u>	<u>56,814</u>	<u>135,905</u>
<b>Administrative overhead</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenses</b>	<u>24,137</u>	<u>54,954</u>	<u>56,814</u>	<u>135,905</u>
<b>Revenue (under)/over expenses</b>	<u>\$ -</u>	<u>\$ (14)</u>	<u>\$ -</u>	<u>\$ (14)</u>

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**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**MONTGOMERY COUNTY FUNDED PROGRAMS**  
SCHEDULE OF PROGRAM UNITS OF SERVICE  
FAMILY HOUSE AND WOMANSPACE  
YEAR ENDED JUNE 30, 2013

<u>Program</u>	<u>Units of Service Reported</u>	<u>(1) Rate Per Unit</u>	<u>Reported Total Fee for Service</u>	<u>Total Audited Fee for Service</u>	<u>Total Billed Fee for Service</u>	<u>Difference</u>
Family House Norristown	1,300	\$ 291	\$ 378,300	\$ 378,300	\$ 378,300	\$ -
	189	\$ 275	51,975	51,975	51,975	-
	7	\$ 278	1,944	1,944	1,944	-
	1,319	\$ 275	362,650	362,650	362,650	-
	<u>87</u>	<u>\$ 170</u>	<u>14,790</u>	<u>14,790</u>	<u>14,790</u>	<u>-</u>
Total	<u>2,902</u>		<u>\$ 809,659</u>	<u>\$ 809,659</u>	<u>\$ 809,659</u>	<u>\$ -</u>
Womanspace Ardmore	758	\$ 149	\$ 112,942	\$ 112,942	\$ 112,942	\$ -
	35	\$ 138	4,828	4,828	4,828	-
	18	\$ 116	2,097	2,097	2,097	-
	2,419	\$ 131	317,533	317,533	317,533	-
	<u>125</u>	<u>\$ 115</u>	<u>14,375</u>	<u>14,375</u>	<u>14,375</u>	<u>-</u>
Total	<u>3,355</u>		<u>\$ 451,775</u>	<u>\$ 451,775</u>	<u>\$ 451,775</u>	<u>\$ -</u>

(1) Rate per unit is amount as approved in the contract agreement.

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**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**NORTHAMPTON COUNTY**  
**SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH**  
**YEAR ENDED JUNE 30, 2013**

	Hope House	The Lodge	The Lodge Café	Butler Renovations	Butler Supportive	LVACT	LVACT ICM & Assessment	Work In Progress	Youth Hope
<b>Revenue:</b>									
Fee-for-service	\$ 113,938	\$ 314,380	\$ -	\$ -	\$ -	\$ 257,372	\$ 87,206	\$ -	\$ -
Program funded	-	-	262,492	5,700	30,000	-	-	124,244	41,277
Retained revenue	-	-	-	-	-	-	-	-	-
Recruitment and retention	-	6,330	-	-	-	-	-	-	-
Room, board	-	36,324	-	-	-	-	-	-	-
Sales income	-	-	103,249	-	-	-	-	-	-
Other income: donation/vehicle sale	2,021	201	1,302	-	872	-	-	-	-
Prior year adjustments	345	-	(8)	85	-	-	-	-	-
<b>Total revenue</b>	<b>116,304</b>	<b>357,235</b>	<b>367,035</b>	<b>5,785</b>	<b>30,872</b>	<b>257,372</b>	<b>87,206</b>	<b>124,244</b>	<b>41,277</b>
<b>Expenses:</b>									
Salaries and wages	66,146	160,671	125,322	-	1,332	118,923	52,406	500	8,500
Social security taxes	5,064	12,043	9,565	-	86	8,942	3,898	38	626
Other taxes and benefits	10,546	29,216	18,409	-	286	19,344	9,005	63	102
Staff development	329	2,935	261	-	-	171	47	-	-
Purchased personnel and services	172	4	50	5,700	7,130	1,111	522	10,251	5,472
On-site psychiatric	7,124	-	-	-	-	-	-	-	-
Rent	1,562	56,480	-	-	-	8,625	1,450	-	-
Real estate taxes	-	1,614	1,614	-	-	-	-	-	-
Utilities	1,959	6,154	10,863	-	7,651	485	98	-	-
Insurance-contents	93	1,703	1,703	-	-	12	3	-	-
Insurance-service	648	1,844	1,844	-	-	1,533	554	-	5,872
Housekeeping	1,051	4,060	7,350	-	179	1,254	132	-	-
Communications	1,054	3,173	4,760	-	-	5,328	1,549	-	-

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**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**NORTHAMPTON COUNTY**  
SCHEDULE OF REVENUE AND EXPENSES - MENTAL HEALTH (CONTINUED)  
YEAR ENDED JUNE 30, 2013

	Hope House	The Lodge	The Lodge Café	Butler Renovations	Butler Supportive	LVACT	LVACT ICM & Assessment	Work In Progress	Youth Hope Hope
<b>Expenses (continued):</b>									
Office, computer, copier supplies	456	1,761	1,720	-	-	1,786	380	-	-
Computer services	23	26	-	-	-	12	4	-	-
Copy machine lease	22	119	-	-	-	319	493	-	-
Medical supplies	81	(4)	-	-	-	221	29	-	-
Medications	80	-	-	-	-	1,188	-	-	-
Clothing	23	-	740	-	-	-	-	-	-
Food	2,571	841	49,749	-	-	11	-	-	-
Rehabilitation supplies	157	1,611	7,705	-	-	396	61	113,392	-
Recreation	111	704	611	-	-	-	-	-	-
Special projects	1	129	92	-	-	-	-	-	-
Household goods	860	520	4,034	-	-	53	7	-	-
Staff travel	183	2,285	145	-	39	10,095	6,377	-	346
Library	-	-	15	-	-	39	-	-	-
Miscellaneous operating	342	3,550	6,481	-	1,293	964	257	-	1,565
Purchased physician	-	-	-	-	-	39,569	-	-	-
Equipment and furnishings-large	-	-	-	-	-	855	-	-	-
Equipment and furnishings-small	104	5,864	16,018	-	135	3,462	297	-	-
Building repair and maintenance	438	3,118	7,675	-	-	1,010	34	-	-
Land, building and leasehold improvements	-	-	34,625	-	11,500	2,891	-	-	20,000
Equipment repair and maintenance contracts	141	64	1,393	-	-	701	154	-	-
Motor vehicle lease and purchase	188	3,892	4,489	-	-	481	-	-	-
Motor vehicle expense	206	1,248	771	-	-	1,409	432	-	-
Motor vehicle repairs and supplies	75	531	215	-	-	510	143	-	-
Motor vehicle insurance	277	890	890	-	-	679	77	-	-
<b>Total direct expenses</b>	<b>102,087</b>	<b>307,046</b>	<b>319,109</b>	<b>5,700</b>	<b>29,631</b>	<b>232,379</b>	<b>78,409</b>	<b>124,244</b>	<b>42,483</b>
<b>Administrative overhead</b>	<b>12,251</b>	<b>45,113</b>	<b>47,844</b>	<b>855</b>	<b>4,445</b>	<b>34,857</b>	<b>11,762</b>	<b>-</b>	<b>2,698</b>
<b>Total expenses</b>	<b>114,338</b>	<b>352,159</b>	<b>366,953</b>	<b>6,555</b>	<b>34,076</b>	<b>267,236</b>	<b>90,171</b>	<b>124,244</b>	<b>45,181</b>
<b>Revenue over/(under) expenses</b>	<b>\$ 1,966</b>	<b>\$ 5,076</b>	<b>\$ 82</b>	<b>\$ (770)</b>	<b>\$ (3,204)</b>	<b>\$ (9,864)</b>	<b>\$ (2,965)</b>	<b>\$ -</b>	<b>\$ (3,904)</b>
<b>Request for retained revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**NORTHAMPTON COUNTY**  
 SCHEDULE OF REVENUE AND EXPENSES -  
 INTELLECTUAL DEVELOPMENTAL DISABILITIES  
 YEAR ENDED JUNE 30, 2013

	<u>On Our Way - Mulberry</u>	
	<u>Total</u>	<u>Children and Youth</u>
<b>Revenue:</b>		
Commonwealth of Pennsylvania DPW	\$ 245,324	\$ -
Client room and board	6,273	-
Other income (sale of vehicle)	201	101
Northampton County	<u>251,627</u>	<u>251,627</u>
<b>Total revenue</b>	<u>503,425</u>	<u>251,728</u>
<b>Expenses:</b>		
Salaries and wages	263,753	131,877
Employee benefits	68,460	34,230
Miscellaneous personnel	4,477	2,238
Occupancy	34,029	17,015
Communications	4,937	2,468
Supportive services	20,882	10,902
Transportation	18,189	9,095
Miscellaneous expense	2,132	1,066
Equipment and fixed assets	554	277
Repair and improvements	405	202
Other administrative supplies	3,091	1,546
Administrative overhead expenses	<u>63,137</u>	<u>31,637</u>
	<u>484,046</u>	<u>242,553</u>
<b>Less client room and board</b>		
Private pay	-	-
Other	-	-
Unallowable expenses per 4300 regs	<u>-</u>	<u>-</u>
<b>Total net allowable expenses per 4300 regs</b>	<u>484,046</u>	<u>242,553</u>
<b>Revenue over expenses</b>	<u>\$ 19,379</u>	<u>\$ 9,175</u>
<b>Request for retained revenue</b>	<u>\$ -</u>	<u>\$ -</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**NORTHAMPTON COUNTY**  
SCHEDULE OF REVENUE AND EXPENSES -  
INTELLECTUAL DEVELOPMENTAL DISABILITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2013

	<u>On Our Way - Mulberry</u>	
	<u>Total</u>	<u>Children and Youth</u>
<b>Unit costs/funding breakout:</b>		
Total number of units provided	<u>730</u>	<u>365</u>
Total Northampton County units waiver	<u>365</u>	<u>-</u>
Total Northampton County units non-waiver	<u>365</u>	<u>365</u>
Total net allowable waiver eligible costs -		
Northampton County	\$ 224,276	\$ -
Total net allowable waiver ineligible costs -		
Northampton County	17,217	-
Total net allowable non-waiver costs -		
Northampton County	<u>242,553</u>	<u>242,553</u>
Total net allowable Northampton County expense	<u>484,046</u>	<u>\$ 242,553</u>
Net total net allowable unit rate -		
Northampton County	\$ 663.08	\$ -
Net allowable waiver eligible rate -		
Northampton County	<u>614.45</u>	<u>-</u>
Net allowable waiver ineligible rate -		
Northampton County	<u>\$ 48.63</u>	<u>\$ -</u>
Net allowable non-waiver rate -		
Northampton County	<u>\$ 664.53</u>	<u>\$ 664.53</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**STATE OF RHODE ISLAND**  
**SCHEDULE OF REVENUE AND EXPENSES FOR ALL AGENCY PROGRAMS**  
**YEAR ENDED JUNE 30, 2013**

	<u>Total</u>	<u>Administrative</u>	<u>Less than 24 hour Residential</u>	<u>Day Program</u>	<u>In Home Support</u>	<u>Other Programs</u>
<b>Revenue:</b>						
State of Rhode Island						
Department of MHRH	\$ 1,831,547	\$ -	\$ -	\$ 1,831,547	\$ -	\$ -
Outside contracts	735,579	-	-	63,131	-	672,448
Social security & private care	-	-	-	-	-	-
City or town support	-	-	-	-	-	-
Contributions and grants	1,963	-	-	1,963	-	-
Special events, fundraising	329	-	-	329	-	-
Program revenue	-	-	-	-	-	-
<b>Total revenue</b>	<u>2,569,418</u>	<u>-</u>	<u>-</u>	<u>1,896,970</u>	<u>-</u>	<u>672,448</u>
<b>Expenses:</b>						
Salaries and wages	1,563,987	341,101	-	914,450	-	308,436
Benefits	449,730	105,741	-	278,359	-	65,630
Consultants	-	-	-	-	-	-
Supplies	41,096	-	-	30,830	-	10,266
Vehicles and travel	229,302	-	-	155,049	-	74,253
Conventions and meetings	1,293	-	-	832	-	461
Professional fees	-	-	-	-	-	-
Insurance	14,767	-	-	11,519	-	3,248
Clothing allowance	-	-	-	-	-	-
Property tax	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Leases and rentals	120,972	21,775	-	91,093	-	8,104
Depreciation	-	-	-	-	-	-
Utilities	20,280	3,650	-	14,978	-	1,652
Repairs and maintenance	2,040	-	-	1,564	-	476
Fundraising	-	-	-	-	-	-
Other	49,359	-	-	31,971	-	17,388
Overhead fees	373,518	70,840	-	229,959	-	72,719
	<u>2,866,344</u>	<u>543,107</u>	<u>-</u>	<u>1,760,604</u>	<u>-</u>	<u>562,633</u>
Allocation of administrative expenses	-	(543,107)	-	417,739	-	125,368
<b>Total expenses</b>	<u>2,866,344</u>	<u>-</u>	<u>-</u>	<u>2,178,343</u>	<u>-</u>	<u>688,001</u>
<b>Net deficit</b>	<u>\$ (296,926)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (281,373)</u>	<u>\$ -</u>	<u>\$ (15,553)</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**STATE OF RHODE ISLAND**  
**SCHEDULE OF ADMINISTRATIVE WAGES**  
**YEAR ENDED JUNE 30, 2013**

<u>Employee</u>	<u>Job Title</u>	<u>Number of Hours a Week</u>	<u>Rate of Pay</u>	<u>Total Wages</u>
Raymond Memery	Executive Director	40	\$ 37.51	\$ 74,925
Paul Everett	Administrator	40	22.20	46,182
Erin Velino	Administrator	40	23.43	48,735
Melissa Hundley	Supervisor	40	18.23	37,918
Philip M Wilson	Unit Director	40	26.00	54,083
Brenda Noel	Supervisor	40	18.23	37,918
Sonya Poydras	Supervisor	40	19.88	41,340
Total administrative wages				<u>\$ 341,101</u>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**STATE OF RHODE ISLAND**  
**SCHEDULE OF PROFESSIONAL SERVICES**  
**YEAR ENDED JUNE 30, 2013**

<u>Name</u>	<u>Credentials</u>	<u>Program or Residence</u>	<u>Hourly Rate of Pay</u>	<u>Total Hours Worked</u>	<u>Total Paid for the Year</u>	<u>Total Consultants for the Year</u>
<b>Nursing Services</b>						
<b>Employees:</b>						
Alice Lambert			\$ 29.81	1673.62	\$ 49,891	
Susan Saulnier			\$ 30.00	192.00	5,760	
Sandra Fournier			\$ 35.00	48.25	1,689	
Sub-total					<u>57,340</u>	
<b>Total</b>					<u><u>\$ 57,340</u></u>	

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements.*

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**STATE OF RHODE ISLAND**  
**DETERMINATION OF EXCESS (DEFICIT) FUNDING**  
**YEAR ENDED JUNE 30, 2013**

	<u>Less Than 24 Hour Residential</u>	<u>Day Program</u>	<u>In Home Support</u>	<u>Total</u>
Revenue from DDD	\$ -	\$1,831,547	\$ -	\$1,831,547
Expenses related to DDD programs	-	2,103,216	-	2,103,216
Deficit	<u>\$ -</u>	<u>\$ (271,669)</u>	<u>\$ -</u>	<u>\$ (271,669)</u>
5% of revenue				\$ 91,577
Monies due to the division				\$0.00
Excess/total DDD revenue (must be 5% or less)				N/A
<b>PERCENT OF TOTAL DEFICIT DIVIDED BY TOTAL DDD REVENUE</b>				<b>(14.83%)</b>

*Amounts on this schedule do not include the accrual for vacation as discussed in footnote 1 to the consolidated financial statements*



**INDEPENDENT AUDITORS' REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of June 30, 2013 and 2012, and the related consolidated statements of unrestricted revenues, expenditures and other changes in unrestricted net assets, changes in net assets, functional expenditures, and cash flows for the years then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 9, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Organization in a separate letter dated December 9, 2013.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, reading "Shekhar Manoj Desai PC". The signature is written in a cursive, flowing style.

Philadelphia, Pennsylvania  
December 9, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

**Report on Compliance for Each Major Federal Program**

We have audited Resources for Human Development, Inc. and Subsidiaries' (the Organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2013. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the City of Philadelphia Subrecipient Audit Guide. Those standards, OMB Circular A-133 and the City of Philadelphia Subrecipient Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

***Report on Internal Control over Compliance***

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal

program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the City of Philadelphia Subrecipient Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the consolidated financial statements of Resources for Human Development, Inc. and Subsidiaries as of and for the year ended June 30, 2013, and have issued our report thereon dated December 9, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal, state and city awards is presented for purposes of additional analysis as required by OMB Circular A-133, and the City of Philadelphia Subrecipient Audit Guide, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal, state and city awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

#### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the City of Philadelphia Subrecipient Audit Guide. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "A. Lichtman".

Philadelphia, Pennsylvania  
December 9, 2013

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b>FEDERAL FINANCIAL ASSISTANCE</b>				
<b><u>U.S. Department of Health and Human Services</u></b>				
Health Center Cluster	93.224	H80 CS 00718	04/01/13 - 03/31/14	\$ 355,119
Health Center Cluster	93.527	H80 CS 00718	04/01/13 - 03/31/14	384,712
Health Center Cluster	93 224	H80 CS 00718	04/01/12 - 03/31/13	8,657
Health Center Cluster	93 527	H80 CS 00718	04/01/12 - 03/31/13	987,074
Health Center Cluster	93.224	H80 CS 00718	04/01/12 - 03/31/13	911,145
Family House Louisiana	93.243	1H79T1023624-01	07/01/12 - 06/30/13	524,003
Pass-through State of Florida Agency for Persons with Disabilities	93 667	QCF05	07/01/10 - 06/30/13	19,894
Pass-through State of Louisiana Department of Social Services LA Safe Expansion	93.667	715084	07/01/12 - 06/30/13	84,851
Pass-through Unity of Greater New Orleans New Orleans Womanspace	93 243	1H79SM059082-3	10/01/11 - 09/30/12	11,728
New Orleans Womanspace	93.243	1H79SM059082-4	10/01/12 - 09/30/13	35,331
Pass-through Pennsylvania Department of Public Welfare PA IDD	93.778	100001708	07/01/12 - 06/30/13	29,000,421
Lehigh County - MH	93.958	12-MHID-261	07/01/12 - 06/30/13	302
Northampton County - ARRA funded	93 658	12-454	07/01/12 - 06/30/13	113,232
Bucks County - D&A	93.778	N/A	07/01/12 - 06/30/13	8,891
Pass-through Pennsylvania Department of Public Welfare/ Philadelphia Department of Public Health Office of Addiction Services - Endow - A - Home	93.959	13-20108	07/01/12 - 06/30/13	64,560
Office of Supportive Housing	93.667	13-20222	07/01/12 - 06/30/13	104,430
Families in Transition	93.667	13-20016	07/01/12 - 06/30/13	198,263
Pass-through Pennsylvania Department of Public Welfare/ Montgomery County - MH and D&A (Various)	93.959	N/A	07/01/12 - 06/30/13	513,481
Montgomery County - MH/MR (RSS/LMVTC)	93.667	N/A	07/01/12 - 06/30/13	9,746

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
Pass-through Philadelphia Office of Behavioral Health /Intellectual Disability				
Mental Health Base Unitary	93.150	13-20104	07/01/12 - 06/30/13	566,475
Mental Health Base Unitary	93.958	13-20104	07/01/12 - 06/30/13	1,170,716
Pass-through Philadelphia Office of Supportive Housing				
Woodstock Family Center	93.569	13-20033	07/01/12 - 06/30/13	70,718
Pass-through Philadelphia Youth Network				
North E3 Center	93.558	10064/S144	04/01/13 - 09/30/13	5,714
North E3 Center	93.558	13064/E102	07/01/12 - 06/30/13	81,775
Pass-through Family Planning Council				
Family Practice and Counseling Network	93.217	133901	07/01/12 - 06/30/13	103,856
Family Practice and Counseling Network	93.994	133901	07/01/12 - 06/30/13	22,213
Family Practice and Counseling Network	93.667	133901	07/01/12 - 06/30/13	17,947
Family Practice and Counseling Network	93.283	133901	07/01/12 - 06/30/13	647
Family Practice and Counseling Network	93.974	123902	09/01/11 - 08/31/12	10,999
Family Practice and Counseling Network	93.217	136803	07/01/12 - 06/30/13	199
Family Practice and Counseling Network	93.297	136803	07/01/12 - 06/30/13	21,878
Family Practice and Counseling Network	93.940	136803	07/01/12 - 06/30/13	2,279
Family Practice and Counseling Network	93.297	TNW1375	10/01/12 - 09/30/13	27,486
Family Practice and Counseling Network	93.297	N/A	04/01/12 - 06/30/13	2,800
Family Practice and Counseling Network	93.974	133902	09/01/12 - 08/31/13	21,667
Family Practice and Counseling Network	93.217	N/A	07/01/12 - 06/30/13	7,500
Pass-through Philadelphia Mental Health Care				
Healing Ajax II	93.243	100-1065	10/01/12 - 06/30/13	51,495
Healing Ajax I	93.243	100-1062	04/01/12 - 03/31/13	63,699
Healing Ajax I	93.243	100-1062	04/01/13 - 03/31/14	19,663
Pass-through Center for Disease Control and Prevention				
City of Philadelphia -Department of Public Health				
AIDS Activities Coordinating Office				
Family Practice and Counseling Network	93.940	CPA2035	01/01/12 - 12/31/12	33,750
Family Practice and Counseling Network	93.940	CPA3035	01/01/13 - 12/31/13	16,875
Family Practice and Counseling Network	93 914	R3411	03/01/13 - 02/28/14	13,914

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
Pass-through Health Federation of Philadelphia Family Practice and Counseling Network	93.914	N/A	03/01/12 - 05/31/13	39,318
Pass-through Rhode Island Division of Developmental Disabilities	93.778	RH54940	07/01/12 - 06/30/13	954,603
Pass-through State of Missouri Department of Mental Health	93.778	MRER019908076	07/01/10 - 06/30/13	6,312,534
Pass-through State of Nebraska Division of Developmental Disabilities	93.791	N/A	07/01/12 - 06/30/13	420,146
Division of Developmental Disabilities	93.778	N/A	07/01/12 - 06/30/13	3,543,777
<b>Total U.S. Department of Health and Human Services</b>				<b>46,940,483</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Project Advantage	14.235	PA0068B3T001104	07/01/12 - 06/30/13	486,335
Crossroads	14.235	PA0206B3T091003	01/01/12 - 12/31/12	145,795
Crossroads	14.235	PA0205B3T091104	10/01/12 - 09/30/13	171,354
Crossroads	14.235	PA0206B3T091104	01/01/13 - 12/31/13	168,789
Crossroads	14.235	PA0449B3T090900	03/01/11 - 02/28/13	64,235
Crossroads	14.235	PA0205B3T091003	10/01/11 - 09/30/12	58,050
Crossroads	14.235	PA0449L3T091201	03/01/13 - 02/28/14	32,786
LVACT	14.235	PA0211B3T091104	07/01/12 - 06/30/13	166,378
SALT	14.235	PA0010B3T001104	07/01/12 - 06/30/13	225,435
SALT	14.235	PA0431B3T000900	07/01/11 - 06/30/13	96,756
TN STAY	14.235	TN0112L4J011204	04/01/13 - 03/31/14	58,946
Pass-through 1260 Housing Development Corporation				
Salt -Phila	14.235	PA0015B3T001104	10/01/12 - 09/30/13	246,239
Salt -Phila	14.235	PA0015B3T001104	10/01/11 - 09/30/12	80,408
Mainstream	14.235	PA0084B3T001104	03/01/12 - 02/28/13	189,057
Mainstream	14.235	PA0084B3T001104	03/01/13 - 02/28/14	132,215

See notes to schedule of expenditures of Federal, state and city awards

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<b><u>Federal grantor/pass-through grantor/program title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Passthrough Grantor's Number</u></b>	<b><u>Grant Period</u></b>	<b><u>2013 Expenditures</u></b>
Pass-through Jefferson Parish Human Services Authority				
LA Pathways	14.235	LA0070B6H031104	04/01/12 - 03/31/13	276,787
CDBG -LA Housing Support	14 218	DHH #058628	07/01/12 - 12/31/12	684,561
Pass-through Louisiana - Jefferson Parish				
Project Reach	14.218	117700	08/01/11 - 09/30/12	17,266
New Orleans Womanspace	14.218	117794	01/01/12 - 12/31/12	48,439
New Orleans Womanspace	14.218	119931	01/01/13 - 12/31/13	34,007
LA Community Support Team	14 218	120472	01/01/13 - 06/30/14	695,341
Project Reach	14.231	120493	10/01/12 - 09/30/13	15,033
LA Homeless Outreach Program	14.218	120472	01/01/13 - 05/31/14	14,329
LA Homeless Outreach Program	14.218	120475	01/01/13 - 05/31/14	5,911
Pass-through Unity of Greater New Orleans				
LA Shelter Plus Care	14.238	LA0086C6H031004-09	07/01/12 - 06/30/13	75,949
Project Reach	14.235	LA0063B6H031104	10/01/12 - 09/30/13	54,119
Project Reach	14 235	LA0063B6H031003	10/01/11 - 09/30/12	20,043
New Orleans Womanspace	14.235	LA0083L6H031205	02/01/13 - 01/31/14	207,837
New Orleans Womanspace	14.235	LA0083B6H031104	02/01/12 - 01/31/13	309,863
Pass-through Philadelphia Office of Supportive Housing				
Woodstock Family Center	14.231	13-20033	07/01/12 - 06/30/13	268,729
Pass-through Montgomery County Department of Housing and Community Development				
Shelter Operations	14.218	B-12-03-204	10/01/12 - 09/30/13	54,940
Coordinated Homeless Outreach Center - Shelter Ops	14 231	S-11-03-201	10/01/11 - 02/19/13	24,137
Pass-through Philadelphia Office of Housing and Community Development				
CDBG - Families in Transition	14.218	1320124	07/01/12 - 06/30/13	80,962
HOME - Families in Transition	14.239	1320124	07/01/12 - 06/30/13	236,084
Pass-through Nonprofit Housing Development Corporation				
High Street	14.241	1320081	07/01/12 - 06/30/13	89,142

See notes to schedule of expenditures of Federal, state and city awards.



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
Pass-through Township of Lower Merion CDBG -LMCS	14.218	0108-0038	07/01/12 - 06/30/13	1,357
Pass-through Shelby County Government				
Memphis/Shelby County Continuum of Care	14.235	TN0126B4J010900	07/01/12 - 06/30/13	200,901
Memphis/Shelby County Continuum of Care	14.235	TN01126B4J011103	07/01/12 - 03/31/13	153,912
<b>Total U.S. Department of Housing and Urban Development</b>				<b>5,892,427</b>
<b><u>U.S. Department of Veterans Affairs</u></b>				
New Orleans Womanspace	64.024	VA256-13-P-0929	10/01/12 - 09/30/13	44,750
New Orleans Womanspace	64.024	04-121-LA	07/01/12 - 03/31/14	38,005
New Orleans Womanspace	64.024	VA256-P_1001	10/01/11 - 09/30/12	19,600
<b>Total U.S. Department of Veterans Affairs</b>				<b>102,355</b>
<b><u>U.S. Department of Homeland Security</u></b>				
Pass-through United Way Emergency Food and Shelter Program CHOC	97.024	729400-030	04/01/12 - 12/31/12	56,814
<b>Total U.S. Department of Homeland Security</b>				<b>56,814</b>
<b><u>U.S. Department of Justice</u></b>				
Pass-through State of Delaware				
Delaware Department of Corrections	16.812	CZ10-551	09/01/11 - 08/31/12	20,422
Delaware Department of Corrections	16.812	DOC1215-SEXOFFEN	12/01/12 - 09/30/13	67,900
Delaware Department of Corrections	16.812	DOC1214-SEXOFTRT	12/01/12 - 09/30/13	79,200
Pass-through Jefferson Pansh LA Coroner	16.575	C11-7-018	05/01/12 - 06/30/13	19,106
Pass-through Pennsylvania Commission on Crime and Delinquency	16.540	2009/2010-J-04 23850	10/01/12 - 06/30/14	189,480

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
Pass-through Chester Economic Development Authority CDBG -Chester Youthbuild	16.726	N/A	07/01/10 - 12/31/12	3,761
Pass-through Eastern District of Pennsylvania Probation Office	16.812	RFQ 0313-2012-SC08	02/28/12 - 09/30/12	<u>2,730</u>
<b>Total U.S. Department of Justice</b>				<u>382,599</u>
<b><u>U.S Department of Education</u></b>				
Pass-through The School District of Philadelphia Stepping Stones	84.027	086/F13	09/01/12 - 06/30/13	<u>215,998</u>
<b>Total U.S. Department of Education</b>				<u>215,998</u>
<b><u>U.S Department of Agriculture</u></b>				
National Institute of Food and Agriculture	10 225	2012-33800-19684	09/01/12 - 08/31/13	<u>3,088</u>
<b>Total U.S. Department of Agriculture</b>				<u>3,088</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>				<b><u>\$ 53,593,764</u></b>

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

**Summary of Federal Financial Assistance by CFDA**

10.225 - Community Food Projects	\$ 3,088
14.218 - Community Development Block Grants	1,637,113
14.231 - Emergency Shelter Grants Program	307,898
14.235 - Supportive Housing Program	3,546,240
14.238 - Shelter Plus Care	75,949
14.239 - HOME Investment Partnerships Program	236,084
14.241 - Housing Opportunities for Persons with AIDS	89,142
16.540 - Juvenile Justice and Delinquency Prevention Allocation to States	189,480
16.575 - Crime Victim Assistance	19,106
16.726 - Juvenile Mentoring Program	3,761
16.812 - Second Chance Act Prisoner Reentry Initiative	170,252
64.024 - VA Homeless Providers Grant and Per Diem Program	102,355
84.027 - Special Education Grants to States	215,998
93.150 - Projects for Assistance in Transition from Homelessness (PATH)	566,475
93.217 - Family Planning - Services	111,556
93.224 - Community Health Centers	1,274,920
93.243 - Substance Abuse and Mental Health Services Projects of Regional and National Significance	705,919
93.283 - The Affordable Care Act: Centers for Disease Control and Prevention Investigations and Technical Assistance	647
93.297 - Teenage Pregnancy Prevention Program	52,164
93.527 - Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	1,371,785
93.558 - Temporary Assistance for Needy Families	87,489
93.569 - Community Services Block Grant	70,718
93.658 - Foster Care Title IV-E - ARRA Funded	113,232
93.667 - Social Services Block Grant	435,130
93.778 - Medical Assistance Program	39,820,229
93.791 - Money Follows the Person Rebalancing Demonstration	420,146
93.914 - HIV Emergency Relief Project Grants	53,232
93.940 - HIV Prevention Activities Health Department Based	52,904
93.958 - Block Grants for Community Mental Health Services	1,171,018
93.959 - Block Grants for Prevention and Treatment of Substance Abuse	578,041
93.974 - Family Planning Service Delivery Improvement Research Grants	32,666
93.994 - Maternal and Child Health Services Block Grant to the States	22,213
97.024 - Emergency Food and Shelter National Board Program	56,814
	\$ 53,593,764

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b>STATE/COUNTY FINANCIAL ASSISTANCE</b>				
<b><u>Connecticut</u></b>				
Department of Developmental Services				
CT - Day and Residential programs	N/A	11DDS0094RD	07/01/11 - 06/30/13	7,117,992
CT - Waiver Program	N/A	N/A	07/01/12 - 06/30/13	340,667
<b>Total Connecticut</b>				<b>7,458,659</b>
<b><u>Delaware</u></b>				
Department of Health and Social Services				
Choices, Mainstay	N/A	10965-07-00	07/01/12 - 12/31/13	2,084,513
Mainstay	N/A	11162-06-00	07/01/12 - 12/31/13	281,389
Brandywine Hills, Wilmington Now, & Passages	N/A	011381	07/01/12 - 12/31/13	2,186,241
Vocational Services	N/A	11207-07-00	07/01/12 - 09/30/13	228,300
Assertive Community Treatment - New Castle County	N/A	021394	07/01/12 - 06/30/13	1,270,958
Intensive Case Management Services - New Castle County	N/A	021374	07/01/12 - 06/30/13	457,815
Assertive Community Treatment - Kent County	N/A	021378	07/01/12 - 06/30/13	1,182,611
Intensive Case Management Services - Kent County	N/A	021377	07/01/12 - 06/30/13	442,627
Choices, Mainstay	N/A	0000141238	07/01/12 - 06/30/13	49,071
Intensive Case Management Services - Sussex	N/A	021389	06/01/13 - 06/30/13	30,222
<b>Total Delaware</b>				<b>8,213,747</b>
<b><u>Florida</u></b>				
Agency for Persons with Disabilities	N/A	N/A	07/01/10 - 06/30/13	5,833,649
<b>Total Florida</b>				<b>5,833,649</b>
<b><u>Louisiana</u></b>				
Pass-through Jefferson Parish Human Services Authority				
Family House LA - Residential	N/A	326	07/01/12 - 06/30/13	585
Family House LA - TANF	N/A	283	07/01/12 - 06/30/13	328,842
Access Housing Program	N/A	261	07/01/12 - 06/30/13	89,949
Project SAFE	N/A	262	07/01/12 - 06/30/13	109,911
LA CARE	N/A	263	07/01/12 - 06/30/13	168,378
LA Community Support Team	N/A	282	07/01/12 - 12/31/12	6,915

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b><u>Louisiana (continued)</u></b>				
Pass-through Jefferson Parish Human Services Authority (continued)				
LA MCS	N/A	295	09/15/12 - 12/31/12	194,546
Jefferson Parish Human Services Authority - Local				
LA Pathways - Local	N/A	LA0070B6H031104	04/01/12 - 03/31/13	78,068
LA CARE	N/A	263	07/01/12 - 06/30/13	36,961
<b>Total Louisiana</b>				<b>1,014,155</b>
<b><u>Massachusetts</u></b>				
Department of Developmental Services				
Individual Support	N/A	116601600367DDS3798H	07/01/12 - 06/30/13	165,404
Outside the Lines	N/A	13338038D335DDS3163H	07/01/12 - 06/30/13	10,622
Residential Services	N/A	116601600345DDS3153D	07/01/12 - 06/30/13	5,102,943
Urban Youth Collaborative	N/A	116601600364DDS3228C	07/01/12 - 06/30/13	25,141
Individual Support	N/A	116601601367DDS3780C	07/01/11 - 06/30/13	23,465
Individual Support	N/A	126601602367DDS3749H	07/01/12 - 06/30/13	19,646
Outside the Lines	N/A	133380388335DDS3163H	07/01/12 - 06/30/13	25,762
Outside the Lines	N/A	136601601368DDS3196T	07/01/12 - 06/30/13	21,648
Individual Support	N/A	13338038G335DDS3163H	07/01/12 - 06/30/13	2,518
Outside the Lines	N/A	13660160B368DDS3163H	07/01/12 - 06/30/13	98,441
Outside the Lines	N/A	13660160C368DDS3163H	07/01/12 - 06/30/13	186,165
Outside the Lines	N/A	13660160D368DDS3163H	07/01/12 - 06/30/13	55,019
Outside the Lines	N/A	13660160E368DDS3163H	07/01/12 - 06/30/13	8,406
Outside the Lines	N/A	13660160G368DDS3163H	07/01/12 - 06/30/13	18,052
Public Partnerships	N/A	N/A	07/01/12 - 06/30/13	24,035
Executive Office of Health and Human Services				
Salary Reserve	N/A	13EHSSALARYRESERV251	07/01/12 - 06/30/13	61,815
Commission for the Blind				
Outside the Lines	N/A	7000CTMCB70003M03B010101	07/01/12 - 06/30/13	7,606
<b>Total Massachusetts</b>				<b>5,856,688</b>

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b><u>Missouri</u></b>				
Developmental Disability Services of Jackson County				
EITAS	N/A	N/A	01/01/12 - 12/31/12	47,358
EITAS	N/A	N/A	01/01/12 - 12/31/12	13,833
EITAS	N/A	N/A	01/01/13 - 12/31/13	36,801
<b>Total Missouri</b>				<u>97,992</u>
<b><u>Nebraska</u></b>				
Department of Health and Human Services				
Division of Developmental Disabilities	N/A	N/A	07/1/12 - 06/30/13	<u>2,901,201</u>
<b>Total Nebraska</b>				<u>2,901,201</u>
<b><u>New Jersey</u></b>				
Department of Human Services				
Division of Mental Health Services - SALT	N/A	30415	07/01/12 - 06/30/13	4,304,760
Division of Addiction Services - Supportive Housing	N/A	13-623-ADA-0	07/01/12 - 06/30/13	<u>871,000</u>
<b>Total New Jersey</b>				<u>5,175,760</u>
<b><u>North Carolina</u></b>				
Alliance Behavioral Healthcare	N/A	N/A	02/01/13 - 08/31/13	1,628,111
Durham County Mental Health, Development Disabilities, and Substance Abuse Authority				
Durham County - Program Funded	N/A	N/A	11/10/10 - 11/10/13	4,762
Durham County - Medicaid	N/A	N/A	11/10/10 - 11/10/13	2,804
Durham County - Non Medicaid	N/A	N/A	11/10/10 - 11/10/13	8,164
Wake County - Human Services				
Wake County - Medicaid	N/A	N/A	07/01/12 - 06/30/13	98,743
Wake County - Non Medicaid	N/A	N/A	07/01/12 - 06/30/13	<u>505,617</u>
<b>Total North Carolina</b>				<u>2,248,201</u>

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b><u>Pennsylvania</u></b>				
Pennsylvania Department of Community & Economic Development Pass-through Treatment Research Institute Family Practice Counseling Network	N/A	SAP# 4100055578	06/01/11 - 05/31/15	<u>24,227</u>
Pennsylvania Department of Health Pass-through Family Planning Council Family Practice Counseling Network	N/A	136803	07/01/12 - 06/30/13	<u>3,134</u>
Pennsylvania Department of Public Welfare PA IDD	N/A	N/A	07/01/12 - 06/30/13	23,660,594
Children's Trust Fund - FPCN	N/A	SAP# 4100057442	11/01/11 - 10/31/14	40,000
Community Home Services Agency - Adesha Village	N/A	51/510	07/01/12 - 06/30/13	<u>144,491</u>
				<u>23,845,085</u>
Pass-through PMHCC Access to Recovery	N/A	300-1593	07/01/12 - 06/30/13	<u>13,226</u>
Pass-through Philadelphia Office of Behavioral Health / Intellectual Disability Services				
Mental Health Base Unitary	N/A	13-20104	07/01/12 - 06/30/13	16,427,783
Intellectual Disability Services Base Unitary	N/A	13-20106	07/01/12 - 06/30/13	26,466
Early Intervention	N/A	13-20105	07/01/12 - 06/30/13	<u>259,799</u>
				<u>16,714,048</u>
Pass-through Philadelphia Office of Supportive Housing Woodstock Family Center	N/A	13-20033	07/01/12 - 06/30/13	<u>121,635</u>
Pass-through Family Planning Council Family Practice Counseling Network	N/A	133901	07/01/12 - 06/30/13	<u>2,442</u>
Pass-through various counties				
Allegheny County - MH	N/A	141043	07/01/12 - 06/30/13	1,055,377
Bucks County - Drug and Alcohol Commission	N/A	Family House	07/01/12 - 06/30/13	7,884
Carbon Monroe Pike - MH/MR	N/A	N/A	07/01/12 - 06/30/13	935,866
Chester County - MH	N/A	13-14584	07/01/12 - 06/30/13	201,246

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
Pass-through various counties (continued)				
Chester County - MH/IDD	N/A	13-15165	07/01/12 - 06/30/13	16,153
Delaware County - DHS (Compeer)	N/A	A18-12	07/01/12 - 06/30/13	53,487
Lehigh County - MH	N/A	12-MHID-261	07/01/12 - 06/30/13	754,943
Montgomery County - MH/MR (RSS/LMVTC)	N/A	N/A	07/01/12 - 06/30/13	305,366
Montgomery County - MH/MR and D&A (Various)	N/A	N/A	07/01/12 - 06/30/13	6,465,707
Montgomery County - MH/MR and D&A (Various)	N/A	N/A	07/01/12 - 06/30/13	46,527
Montgomery County - MH/MR (CHOC)	N/A	N/A	01/01/13 - 12/31/13	14,656
Northampton County	N/A	12-454	07/01/12 - 06/30/13	110,716
Northampton County - MH	N/A	2012-622	07/01/12 - 06/30/13	1,823,087
				<u>11,791,015</u>
<b>Total Pennsylvania Department of Public Welfare</b>				<u>52,487,451</u>
<b>Pennsylvania counties</b>				
County of Montgomery Adult Probation & Parole Department	N/A	RFP-10-20	01/01/11 - 01/01/13	296,328
Montgomery County - MH/MR and D&A (Various)	N/A	N/A	07/01/12 - 06/30/13	561
County of Montgomery Adult Probation & Parole Department	N/A	N/A	01/01/11 - 12/31/12	95,850
County of Montgomery Probation and Parole Intervention	N/A	N/A	09/30/12 - 09/30/13	19,900
County of Montgomery, PA	N/A	Rise Above	01/01/12 - 12/31/12	16,000
County of Montgomery, PA	N/A	Rise Above	01/01/13 - 12/31/13	16,000
Montgomery County Department of Behavioral Health	N/A	N/A	07/01/12 - 06/30/13	131,953
Montgomery County Department of Behavioral Health	N/A	N/A	07/01/12 - 06/30/13	9,746
Northampton County Department of Human Services	N/A	12-454	07/01/12 - 06/30/13	27,679
Northampton County - MH	N/A	2012-622	07/01/12 - 06/30/13	912
Northampton County Department of Human Services	N/A	13-823	01/01/13 - 12/31/13	41,277
Northampton County Department of Human Services	N/A	13-822	01/01/13 - 12/31/13	5,700
Delaware County Department of Human Services	N/A	MH-A 18/12	07/01/12 - 06/30/13	5,943
Lehigh County Office of Mental Health	N/A	12-MHID-261	07/01/12 - 06/30/13	151
Lehigh County Office of Mental Health	N/A	10HC57	11/01/10 - 12/31/13	212,091
				<u>880,091</u>
<b>Total Pennsylvania Counties</b>				<u>880,091</u>
<b>Total Pennsylvania</b>				<u>53,394,903</u>

See notes to schedule of expenditures of Federal, state and city awards.



**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b><u>Rhode Island</u></b>				
Division of Developmental Disabilities	N/A	RH54940	07/01/12 - 06/30/13	<u>876,945</u>
<b>Total Rhode Island</b>				<u>876,945</u>
<b><u>Tennessee</u></b>				
Division of Intellectual Disabilities Services				
Nashville/Respite	N/A	10-279M	01/01/10 - 12/31/14	7,224,806
Memphis/Mainstay	N/A	10-277W	01/01/10 - 12/31/14	4,519,974
Nashville - Clinical Home Care	N/A	34401-00366	01/05/12 - 01/04/13	77,844
Nashville - Clinical Home Care	N/A	34401-00427	01/05/13 - 01/04/14	77,844
Community Alliance For the Homeless	N/A	N/A	04/01/12 - 03/30/13	82,682
Community Alliance For the Homeless	N/A	30274	04/01/13 - 03/30/14	<u>23,764</u>
<b>Total Tennessee</b>				<u>12,006,914</u>
<b><u>Virginia</u></b>				
Department of Corrections	N/A	DOC-12-002R-RHD	11/01/11 - 10/31/12	72,073
Department of Corrections	N/A	DOC-12-002R-RHD	11/01/12 - 10/31/13	122,605
Department of Corrections	N/A	DOC-12-004R-RHD	10/01/11 - 09/30/12	32,585
Department of Corrections - Local	N/A	DOC-12-002R-RHD	11/01/11 - 10/31/12	9,828
Various Counties	N/A	N/A	07/01/12 - 06/30/13	<u>50,680</u>
<b>Total Virginia</b>				<u>287,771</u>
<b>TOTAL STATE/COUNTY FINANCIAL ASSISTANCE</b>				<b><u>\$ 105,366,585</u></b>
<b>CITY FINANCIAL ASSISTANCE</b>				
<b>Philadelphia Youth Network</b>				
North E3 Center	N/A	13064/E102	07/01/12 - 06/30/13	752,666
WorkReady Philadelphia Summer Program	N/A	97657/S144	04/02/12 - 09/30/12	<u>7,295</u>
				<u>759,961</u>

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA Number</u>	<u>Passthrough Grantor's Number</u>	<u>Grant Period</u>	<u>2013 Expenditures</u>
<b>Philadelphia Office of Supportive Housing</b>				
Woodstock Family Center	N/A	13-20033	07/01/12 - 06/30/13	953,279
Office of Supportive Housing	N/A	13-20222	07/01/12 - 06/30/13	1,124,153
Office of Supportive Housing	N/A	13-20585	12/01/12 - 03/31/13	207,540
				<u>2,284,972</u>
<b>Philadelphia Department of Public Health</b>				
AIDS Activities Coordinating Office				
Family Practice and Counseling Network	N/A	CPA3035	01/01/13 - 12/31/13	16,875
Family Practice and Counseling Network	N/A	136803	07/01/12 - 06/30/13	997
Office of Behavioral Health/Intellectual Disabilities				
MH Base Unitary	N/A	13-20104	07/01/12 - 06/30/13	717,535
MR Early Intervention	N/A	13-20105	07/01/12 - 06/30/13	28,867
				<u>764,274</u>
<b>TOTAL CITY FINANCIAL ASSISTANCE</b>				<u><b>\$ 3,809,207</b></u>
<b>TOTAL FEDERAL, STATE AND CITY FINANCIAL ASSISTANCE</b>				<u><b>\$ 162,769,556</b></u>

See notes to schedule of expenditures of Federal, state and city awards.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF**  
**FEDERAL, STATE AND CITY AWARDS**  
**YEAR ENDED JUNE 30, 2013**

**1. GENERAL INFORMATION**

The accompanying schedule of expenditures of federal, state and city awards presents activities in all federal, state and city award programs of Resources for Human Development, Inc. All financial assistance received directly from federal agencies, as well as financial assistance passed through other governmental agencies or not-for-profit organizations, is included on the schedule.

**2. BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal, state and city awards is presented using the accrual basis of accounting. The amounts reported in this schedule as expenditures may differ from certain financial reports submitted to funding agencies because those reports may be submitted on either a cash or modified cash basis of accounting.

**3. RELATIONSHIP TO BASIC CONSOLIDATED FINANCIAL STATEMENTS**

Federal, state and city award expenditures are reported on the statement of functional expenditures as program costs. However, expenditures in the schedule of expenditures of federal, state and city awards for certain programs which have incurred deficits have been limited to the related contracted amount. In addition, for certain programs, the expenditures reported in the basic consolidated financial statements may differ from the expenditures reported in the schedule of expenditures of federal, state and city awards due to program expenditures exceeding grant or contract budget limitations which are not included as federal, state and city financial assistance.

As further discussed in footnote 1, the Organization has a policy which allows the carryover of unused vacation time for program employees. This schedule does not reflect the accrual for these expenditures.

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2013**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_\_\_ yes X none

Noncompliance material to financial statements noted? \_\_\_\_\_ yes X no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_\_\_ yes X none

Type of auditors' report issued on compliance for  
major programs: Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with Circular A-133,  
Section .510(a)?

\_\_\_\_\_ yes X no

Major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grants
93.658	Foster Care Title IV-E
93.778	Medical Assistance Program

Dollar threshold used to distinguish

between Type A and Type B programs: \$ 1,607,813

Auditee qualified as low-risk auditee

X yes \_\_\_\_\_ no

**RESOURCES FOR HUMAN DEVELOPMENT, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2013**

**Section II** - Financial Statement Findings

No financial statement findings noted.

**Section III** – Federal Awards Findings and Questioned Costs

No federal award findings and questioned costs noted.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
SPECIFIED INDIRECT COST ALLOCATION REQUIREMENTS**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

We have examined Resources for Human Development, Inc. and Subsidiaries' compliance with allocating indirect costs reflected in the City of Philadelphia Department of Public Health, Office of Behavioral Health and Intellectual Disability Services program activity invoice summary as required by the Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of the Title 4300 Regulations for the year ended June 30, 2013. Management is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on the Organization's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, including examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Organization's compliance with specified requirements.

In our opinion, the Organization complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2013.

This report is intended solely for the information and use of the Board of Directors, management and the City of Philadelphia Department of Public Health and is not intended to be and should not be used by anyone other than these specified parties.



Philadelphia, PA  
December 9, 2013

**INDEPENDENT AUDITORS' REPORT ON COST  
ALLOCATION (FOR THE UPCOMING BUDGET YEAR)**

Board of Directors and Officers  
Resources for Human Development, Inc. and Subsidiaries

At your request, we have performed the procedures enumerated below with respect to the administrative costs distribution included in the Line Item Budget for the year ending June 30, 2014 submitted by Resources for Human Development, Inc. and Subsidiaries ("the Organization") to the City of Philadelphia, Department of Public Health. Our review was made solely to assist you in your filing requirements with the City of Philadelphia, Department of Public Health.

The procedures we performed are summarized as follows:

- a. We reviewed a schedule contained within the 2014 Line Item Budget which reflected the allocation factors utilized in distributing administrative costs.
- b. We confirmed our understanding of the method of allocating administrative costs through a review of supporting work papers and by discussions with management responsible for allocation factors.
- c. We compared the Organization's method of allocating costs to those requirements as specified in Section 4300.94 of the Title 4300 Regulations Related Methods for Allocating Indirect Costs in order to determine whether the cost allocation is in compliance with those regulations.
- d. We compared the allocation methods used between the current fiscal year and prior fiscal year to determine consistency between years. The cost allocation method is based on various formulas which allocate costs depending on the nature of the individual costs.

The Commonwealth of Pennsylvania, Department of Public Welfare, Section 4300.94 of Title 4300 Regulations state "The overall objective of the allocation process is to distribute the Indirect costs of the Agency to its various services or cost categories in reasonable proportion with the benefits provided to these services or cost categories". The Regulations require that the method used result in a fair and equitable distribution of costs which shall be in direct relation to actual benefits accruing to the services to which costs are charged.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the amount of administrative costs distributed to the Organization or on any other amounts contained within the June 30, 2014 budget submitted to the City of Philadelphia, Department of Public Health. Had we performed additional procedures or had we conducted an audit in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of the Organization, taken as a whole.

This report is intended for the information of the Board of Directors, management, and the City of Philadelphia, Department of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Philadelphia, PA  
December 9, 2013

**MEMORANDUM OF ADVISORY COMMENTS  
RESOURCES FOR HUMAN DEVELOPMENT, INC.**

**June 30, 2013**



December 9, 2013

Board of Directors  
Resources for Human Development

In connection with our audit of the consolidated financial statements for Resources for Human Development, Inc and Subsidiaries (RHD or the "Organization") as of June 30, 2013, we issued two reports, which addressed internal controls. The reports are *Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards* and *Independent auditor's report on compliance for each major program and on internal control over compliance required by OMB Circular A-133*. In addition, we noted certain matters that we believe you should consider. Our observations were formed as a by-product of our auditing procedures, which did not include a comprehensive review for the purpose of submitting detailed recommendations. The comments and suggestions listed below pertain to Resources for Human Development, Inc only. Comments and suggestions that pertain to subsidiaries, if any, have been communicated separately.

The following summarizes our comments and suggestions.

***Comments for June 30, 2013***

**Accounts Receivable**

We have noticed over the past few years that as contracts and billing have shifted to more of a fee-for-service environment, the application of cash payments to open accounts receivable invoices and the management of accounts receivable customer balances have become monumental. The processes in place during the year under audit reflect management's goal of mitigating the risk surrounding its outstanding accounts receivable balances. The processes are a mixture of management within Macola (the general ledger software) and other systems, such as various billing systems, databases and excel files. We noted that while the financial statements are derived from Macola, the detailed accounts receivable balances are primarily monitored outside this system, and then later updated within the system. In the end this may be effective in managing the key risks surrounding accounts receivable, but there are inherent inefficiencies in the multiple processes. For example, the need to apply payments in multiple systems creates a lag in the timely application, which can require more analysis and follow up.

We recommend that management work to continue to improve and automate the accounts receivable payment application process, which should allow a more timely and accurate analysis of open accounts receivable balances.

### Credit Cards

During our audit testing, we noted that multiple credit card transactions were processed with only a memo to support the transaction as opposed to original receipts or invoices, as required by RHD's internal policies. Auditor further noted that one of these memos was not created before the related credit card transaction was processed, but upon the auditor's inquiries

We recommended that RHD continue to enforce its policy that requires the credit card holder and their authorized supervisor are responsible to maintain support for all credit card transactions. We also recommend in the case where support is not maintained, a memo be provided contemporaneously with the credit card transaction processing

### Individual Funds Management

During our audit testing, we noted a need for a more structured listing of individuals for which RHD is representative payee or provides other fiscal support

While we have noticed improvements in this area over recent years, we recommend that RHD maintain a listing of individuals for which RHD is representative payee or provides other fiscal support on a regular basis and update for new and discharged individuals including the date of entrance or discharge

### Journal entries

During our audit testing of general journal entries, we noted that each general journal entry is manually assigned an identifying number. We noticed gaps in the sequence of numbers and also data entry errors of the identifying numbers. The identifying numbers are used by users of the general ledger to identify transactions for further research. Errors in the numbering system can create difficulty in attempting to trace entries to their original source.

We recommend RHD continue the review of the data entry of the general journal entries before the entries are posted to the general ledger, being cognizant of the general journal numbers assigned. In addition, the continued use of the prenumbered stamp should be required to ensure that a sequential order is maintained.

### Summary

While addressing each of the foregoing points will not prevent or preclude errors or illegal acts from occurring, they will assist in improving record keeping, internal controls, and the financial stability of RHD. If you would like to discuss any of the matters in greater detail, please contact us.

Very truly yours,

A handwritten signature in black ink, reading "Shechtman Marks Devor PC". The signature is written in a cursive, flowing style.

Shechtman Marks Devor PC

Resources for Human Development, Inc (RHD) response to June 30, 2013 Memorandum of Advisory Comments

Accounts Receivable

We agree with the auditor's recommendation

RHD is implementing a new accounting system and will begin the implementation of a new billing system in early 2014. These new systems along with other strategic decisions will significantly change how we currently manage accounts receivable balances. Currently our systems are not integrated. Our goal is to automate processing where possible; including interfaces from the billing system sub-ledgers directly to the general ledger. We have begun automating payment processing into our current billing systems allowing for a timelier processing of payments. We will continue this effort with the new billing system. We expect to see the full benefit of these systems from an accounts receivable perspective during our fiscal year ending June 30, 2015.

Position Title of Person Overseeing This Issue: Chief Financial Officer

Credit Cards

We will continue to provide training to all cardholders and administrators of the program to enforce our policy that requires the credit card holder and their authorized supervisor to maintain support for all credit card transactions and where support is not maintained, a memo be provided contemporaneously with the credit card transaction processing.

Position Title of Person Overseeing This Issue: Director of Accounting and Auditing

Individual Funds Management

While we have made continued progress over the past year, we continue to evaluate this area to determine the tools needed to better coordinate the activities required.

Currently we are in the final stages of evaluating software applications that will enable us to maintain a complete listing of individuals that RHD is representative payee or provides other fiscal support for. Currently listings are maintained regionally and shared periodically with our Central Office. In the interim, we will continue to provide training

for each regional office that has funds management responsibilities, including the reporting of new and discharged individuals.

Position Title of Person Overseeing This Issue: Director of Accounting and Auditing

### Journal Entries

We recognize the importance of carefully sequenced journal entries in order to facilitate any audit or review of general ledger transactions in addition to ensuring the completeness of the general ledger. In our current accounting system, this is not an automated process. We continue to use a date stamp that consecutively assigns the journal entry numbers in an attempt to eliminate duplicated or missed journal entry numbers. Internal Audit has also begun to perform a monthly review to ensure appropriate numbering and entry.

We are implementing a new accounting system that will eliminate this issue. It is expected to be implemented by July 1, 2014. In the interim, we will continue to provide on-going training and support to our staff responsible for assigning journal entry numbers, and emphasize in our instructions to reviewers that they must assure appropriate assignment of the numbers prior to posting.

Position Title of Person Overseeing This Issue: Director of Accounting and Auditing